

FINANCIAL REPORT

**ASCENSION COUNCIL ON AGING, INC.
DONALDSONVILLE, LOUISIANA**

June 30, 2017

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

FINANCIAL REPORT

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DONALDSONVILLE, LOUISIANA**

June 30, 2017

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Ascension Council on Aging, Inc.
Donaldsonville, Louisiana

June 30, 2017

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Ascension Council on Aging, Inc.

The Management's Discussion and Analysis of the Ascension Council on Aging, Inc.'s (the Council) financial performance presents a narrative overview and analysis of the Council's financial activities for the year ended June 30, 2017. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with basic financial statements, which follow this section.

Funding sources for the COA remain stable with the 2013 10 year renewal of the 1.5% Parish millage tax. This millage tax has helped to decrease waiting lists for core services such as meals and transportation. Since November 2014, the Gonzales Senior Center has been under major renovation and the \$725,000 project is now complete.

Fiscal year 2017 reported decreases in many services due to the Great Louisiana Flood of August 2016. The flood impacted our ability to provide services to so many of our seniors who were displaced. The good news is that the COA received new grants of \$94,700 to assist seniors in their flood recovery with new furniture or appliances.

Our mission since 1972 is to provide directly or coordinate the full range of services available through State and Federal Agencies to the elderly of Ascension Parish and to create an atmosphere of respect for human life and affirm the dignity and self-worth of the older adult by providing a richer and more comfortable life and assisting them in remaining self-sufficient.

FINANCIAL HIGHLIGHTS

The Council's assets exceeded its liabilities at the close of fiscal year 2017 by \$3,536,219 (net assets) which represents a 5% increase from last fiscal year.

Cash and investments were \$2,566,692 at June 30, 2017 compared to \$2,356,341 at June 30, 2016. This is an increase of \$210,351.

The Council's revenue decreased only (\$1,697) (or .07%). Property tax collections decreased by (\$58,760) and Inter-governmental revenue decreased by (\$1,989). Grant income increased by \$72,214. Participant contributions decreased (\$9,792), Miscellaneous income decreased (\$3,992).

The Council's expenditures increased \$656,501 (or 31%). Salaries and fringe benefits decreased (\$3,184); meals decreased by (\$38,173); **capital outlay increased by \$632,705 because of the Gonzales building renovation.** Operating services and supplies decreased (\$34,229) and **other costs increased \$100,112 because of flood relief.**

As a result of subtracting total expenditures from total revenue, the Council's net assets increased by \$179,309 this fiscal year.

SERVICE HIGHLIGHTS

Congregate meals showed a decrease in the number of meals served due primarily to the historic flooding. Home Delivered meals has shown a decrease as of June 30, 2017. There is a decreased waiting list of 55 people. Homemaker units have decreased with a waiting list of 110 people. Personal Care Attendant (PCA) units have increased almost 8% with another 28 clients waiting for the service.

Transportation service to elderly and handicapped riders showed a slight decrease this year due to a decrease in contracted service. Ridership on the west and east bank of the parish continues at a steady pace. Services provided included the following:

During this fiscal year, 1,786 Ascension parish senior citizens received one or more services from the Ascension Council on Aging. Major services are meals and transportation. This represents a decrease over last year due to the flood.

Transportation

Transportation units of service were provided as follows:

	Passenger Trips	Passenger Miles	Vehicle Miles
III-B	28,409		80,797
Disabled	1,461		4,155
Escorts	313		839
Total	<u>30,183</u>	<u>-</u>	<u>85,791</u>
 Last Year	 31,561		 75,016

In addition, meal vans traveled approximately 50,744 miles for the “meals on wheels program”.

Meals

Meals served totaled 141,132 in 2017 vs 161,924 in 2016. Home delivered meals are based on 365 serving days a year. Congregate meals are based on 250 serving days a year.

Home Delivered Meals

Meals – 115,609 Last Year – 135,980
 People Served – 633

Congregate Meals

Meals – 25,523 Last Year – 25,944
 People Served – 497

OVERVIEW OF FINANCIAL STATEMENTS

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

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

Government-wide Financial Statements

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

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

Fund Financial Statements

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

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for

governmental activities in the government-wide financial statements. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. (Exhibit D and E)

The Council has presented the General Fund, Title III B – Supportive Services Fund, Title III C-1- Congregate Meals Fund, Title III C-2 – Home Delivered Meals Fund, Millage Fund and Senior Center Fund as major funds. (Exhibit C & D) All non-major governmental funds are presented in one column, titled “Total Non-Major Funds”. Combining financial statements of the non-major funds can be found in the Combining Fund Statements that follow the basic financial statements (Page 35).

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements. The Governmental Accounting Standards Board (GASB) Statement No. 34 requires budgetary comparison schedules for the General Fund and each major Special Revenue Fund that has a legally adopted budget (Pages 28 to 33). In addition to these required elements, the Council has a section of supplementary information. The Governor’s Office of Elderly Affairs (GOEA) has required the Council to present combining statements that provide details about our non-major governmental funds and details about capital assets and the changes in capital assets. This information will be used by GOEA to verify the accuracy of information submitted to them during the year and to help monitor certain compliance requirements set forth in the grants that it has with the Council (Page 35 and 36).

The Office of Management and Budget (OMB) through its Circular A-133 requires a Schedule of Expenditures of Federal Awards. This schedule will present required information about the Council’s federally funded programs in a manner that can facilitate financial and compliance analysis by the agencies that have granted federal money. (Page 38)

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of the Council’s financial position. As of June 30, 2017, assets exceeded liabilities by \$3,536,219. A large portion of the Council’s net assets (72.5 %) reflects its cash and investment in certificates of deposit. The Council has strong liquidity.

Special Revenue Fund Budgetary Highlights

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

Required supplementary information budgetary comparisons schedules were prepared for the General Fund and each major Special Revenue Fund (Pages 28 to 33).

CAPITAL ASSETS

The Council’s investment in capital assets for its governmental activities as of June 30, 2017, amounts to \$894,685 (net of accumulated depreciation). This investment in capital assets includes office furniture, fixtures, vehicles, machinery and equipment (see table below).

	<u>2017</u>	<u>2016</u>
Office furniture, fixtures and equipment	\$ 112,190	\$ 110,724
Building Improvements	793,603	53,678
Vehicles	429,117	407,529
	<hr/>	<hr/>
Sub Total	1,334,910	571,931
Less accumulated depreciation	(440,225)	(381,555)
	<hr/>	<hr/>
Capital Assets, Net	<u>\$ 894,685</u>	<u>\$ 190,376</u>

Major capital asset events during the current fiscal year included the following:

Renovation of Gonzales Center, new van, new copier.

Additional information on the Council’s capital assets can be found in the Note 8, Exhibit F of this report.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET AND RATES

The Council receives most of its funding from federal and state agencies and local taxes. Because of this, the source of income for the Council is rather steady. However, some of the Council’s grants and contracts are contingent upon the level of service provided by the Council, and therefore, revenues may vary from year to year. There have been no significant changes to the funding levels or terms of the grants and contracts. The Governor’s Office of Elderly Affairs (GOEA) has approved

the Council's budget for fiscal year 2017-2018. There are no plans to add or delete any significant programs for next fiscal year.

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

- Actual expenditures from previous fiscal year in relation to expected needs in the current year.
- Consideration of funding to be received from GOEA.
- The Ad Valorem Tax Revenue budgeted represents the estimated amount of the November 2017 assessment, which the Council will receive, for the most part, in March 2018.
- Interest revenues have been budgeted with anticipation of no increase in interest rates.
- Salaries and benefits are based on the number of employees needed to perform necessary services and the related benefits.
- Travel rates in accordance with state Travel regulations.
- Services the Council will provide along with estimated service costs.
- Estimate of operation supplies needed to perform necessary services.
- Detail plan of equipment and vehicles needed to be purchased.

Condensed Statement of Net Assets

	June 30,		Dollar Change
	2017	2016	
Current and other assets	\$ 2,700,338	\$ 3,216,112	\$ (515,774)
Capital assets	894,685	190,376	704,309
Total assets	3,595,023	3,406,488	\$ 188,535
Short-term liabilities outstanding	18,196	13,022	5,174
Other liabilities	40,608	36,556	4,052
Total liabilities	58,804	49,578	9,226
Net Assets:			
Invested in capital assets, net	894,685	190,376	704,309
Restricted	1,970,553	2,499,996	(529,443)
Unrestricted	670,981	666,538	4,443
Total net assets	\$ 3,536,219	\$ 3,356,910	\$ 179,309

Governmental Activities

Governmental activities increased the Council net assets by \$179,309. Key elements of this increase are as follows:

	June 30,		Dollar Change	Total Percent Change
	<u>2017</u>	<u>2016</u>		
Revenues:				
Program revenues:				
Charges for services	\$ -	\$ -	\$ -	
Operating grants and contributions	565,617	504,836	60,781	9.33%
General revenues:				
Property taxes	1,632,087	1,690,847	(58,760)	0.68%
Grants and contributions not restricted	37,500	37,500	-	0.0%
Unrestricted investment earnings	1,279	1,005	274	-42.0%
Miscellaneous	4,541	8,533	(3,992)	-94.0%
Total revenues	<u>2,241,024</u>	<u>2,242,721</u>	<u>(1,697)</u>	<u>14.00%</u>
Expenses:				
Health and welfare	2,061,715	1,994,212	67,503	4.4%
Total expenses	<u>2,061,715</u>	<u>1,994,212</u>	<u>67,503</u>	
Increase (decrease) in net assets	179,309	248,509	(69,200)	
Net assets beginning of year	3,356,910	3,108,401	248,509	
Net assets end of year	<u>\$ 3,536,219</u>	<u>\$ 3,356,910</u>	<u>\$ 179,309</u>	<u>2.8%</u>

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

The focus of the Council's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Council's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the Council's governmental funds reported combined ending fund balances of

\$2,682,142 a decrease of \$520,948 in comparison with the prior year. An unreserved fund balance of \$711,589 is available for spending at the Council's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed. This is reflected on Page 16.

The General Fund is the chief operating fund of the Council. At the end of the current fiscal year, unreserved fund balance of the general fund was \$711,589, while total fund balance reached \$2,682,142 (Page 17). As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balances and total fund expenditures. The fund balance of the Council's General Fund increased by \$8,495 during the current fiscal year. (Page 17)

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

REQUEST FOR INFORMATION

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

Board of Directors
C/O Darlene Schexnayder , Executive Director
Ascension Council on Aging, Inc.
P.O. Box 412
Donaldsonville, Louisiana. 70346
Phone (225) 473-3789

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors,
Ascension Council on Aging
Donaldsonville, LA 70346

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Ascension Council on Aging, Donaldsonville, Louisiana, (the Council) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Council'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

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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 risks 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Council as of June 30, 2017, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 1 through 9) and budgetary comparison information (pages 28 through 33) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Council's basic financial statements. The accompanying Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - Nonmajor Governmental Funds and the Comparative Schedule of Capital Assets and Changes in Capital Assets are presented for purposes of additional analysis by the Governor's Office of Elderly Affairs (GOEA). In addition, Louisiana Revised Statute 24:513 (A)(3), as amended, requires the Council to present a supplementary schedule of Compensation, Benefits, and Other Payments Made to the Council's Executive Director for the fiscal year. These schedules are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and is also not a required part of the financial statements.

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

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, I have also issued my report dated October 31, 2017 on my consideration of the Council's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control over financial reporting and compliance.

Baton Rouge, Louisiana,
October 31, 2017


Michael R. Choate & Company, CPAs

GOVERNMENT WIDE FINANCIAL STATEMENTS

GOVERNMENT WIDE STATEMENT OF NET POSITION

ASCENSION COUNCIL ON AGING, INC.
DONALDSONVILLE, LOUISIANA

June 30, 2017

	Governmental Activities
Assets	
Cash	\$ 151,301
Investments	2,415,391
Grants and contracts receivable	18,089
Prepaid expenses:	
Insurance	107,320
Vehicle Deposit	8,237
Capital assets, net of accumulated depreciation	<u>894,685</u>
 Total Assets	 <u><u>\$ 3,595,023</u></u>
Liabilities	
Accounts payable	\$ 18,196
Accrued compensated absences	<u>40,608</u>
 Total Liabilities	 <u>58,804</u>
Net Position	
Invested in Capital Assets	894,685
Restricted for:	
Utility Assistance	(217)
MIPPA	1,460
Millage	1,969,310
Unrestricted	<u>670,981</u>
 Total Net Position	 <u><u>\$ 3,536,219</u></u>

The accompanying notes are an integral part of this statement.

**GOVERNMENT WIDE STATEMENT OF ACTIVITIES
ASCENSION COUNCIL ON AGING
DONALDSONVILLE, LOUISIANA**

For the year ended June 30, 2017

Functions / Programs	Program Revenues				Net (Expense) Revenue and Increases (Decreases) in Net Assets	
	Direct Expenses	Indirect Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Governmental Activities						
Health, Welfare & Social Services						
Supportive Services:	\$ 744,169	\$ 282,356	\$ -	\$ 218,767	\$ -	(807,758)
Personal Care	-	-	-	-	-	-
Other Services	-	-	-	-	-	-
Homemaker	-	-	-	-	-	-
Information and Assistance	-	-	-	-	-	-
Legal Assistance	-	-	-	-	-	-
Outreach	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Nutrition Services:						
Congregate Meals	75,875	44,786	-	49,181	-	(71,480)
Home Delivered Meals	427,800	132,044	-	99,432	-	(460,412)
Utility Assistance	36,609	-	-	-	-	(36,609)
National Family Caregiver Support	1,800	989	-	2,789	-	-
Multipurpose Senior Centers	-	95,955	-	92,315	-	(3,640)
Flood Relief	96,123	-	-	96,123	-	-
Administration	679,339	(556,130)	-	-	-	(123,209)
Total governmental activities	\$ 2,061,715	\$ -	\$ -	\$ 558,607	\$ -	\$ (1,503,108)
General Revenues:						
Ad Valorem Taxes						1,632,087
Grants and contributions not restricted to specific programs						45,730
Unrestricted Investment Income						1,279
Miscellaneous						3,321
Total general revenues						1,682,417
Increase in net position						179,309
Net position - beginning of the year						3,356,910
Net position - end of the year						\$ 3,536,219

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

Balance Sheet
Governmental Funds
Ascension Council on Aging, Inc.

June 30, 2017

	General Fund	Millage	Title III B	Title III C-1	Title III C-2	Senior Center	Total Non Major Funds	Total Governmental Funds
Assets								
Cash	\$ 7,025	\$ 158,188	\$ (10,714)	\$ (1,568)	\$ (2,273)	\$ -	\$ 643	\$ 151,301
Investments	711,589	1,703,802		-	-	-	-	2,415,391
Grants and Contracts Receivable	2,934		10,714	1,568	2,273	-	600	18,089
Vehicle deposit	8,237							8,237
Construction in progress		-						-
Prepaid Insurance		107,320	-	-	-	-	-	107,320
Total Assets	\$ 729,785	\$ 1,969,310	\$ -	\$ -	\$ -	\$ -	\$ 1,243	\$ 2,700,338
Liabilities and Fund Balance								
Liabilities								
Accounts Payable	18,196	-	-	-	-	-	-	18,196
Total Liabilities	18,196	-	-	-	-	-	-	18,196
Fund Balances								
Reserved For:								
Prepaid Expenditures	-	107,320	-	-	-	-	-	107,320
Unassigned:								
General Fund	711,589	-	-	-	-	-	-	711,589
Restricted:								
Special Revenue Fund	-	1,861,990	-	-	-	-	1,243	1,863,233
Total Fund Balances	711,589	1,969,310	-	-	-	-	1,243	2,682,142
Total Liabilities and Fund Balances	\$ 729,785	\$ 1,969,310	\$ -	\$ -	\$ -	\$ -	\$ 1,243	

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

Compensated absences are not paid for out of current financial resources and therefore are not reported funds (40,608)

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds 894,685

Net position of Governmental Activities \$ 3,536,219

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Ascension Council on Aging, Inc.
Baton Rouge, LA
For the Year Ended June 30, 2017

	<u>General Fund</u>	<u>Millage</u>	<u>Title III B</u>	<u>Title III C-1</u>	<u>Title III C-2</u>	<u>Senior Center</u>	<u>Total Non-Major Funds</u>	<u>Total Governmental Funds</u>
REVENUES								
Advalorem Taxes	\$ -	\$ 1,632,087	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,632,087
Intergovernmental								
Capital Area Agency on Aging	-	-	63,020	20,515	27,065	-	1,800	112,400
Governor's Office of Elderly Affairs	37,500	-	-	-	-	92,315	4,300	134,115
Public Support								
Contributions-other restricted	3,930	-	20,264	-	-	-	94,700	118,894
Participant Contributions	-	-	2,229	7,915	12,299	-	1,423	23,866
Investment Income	1,279	-	-	-	-	-	-	1,279
Miscellaneous	3,321	-	1,220	-	-	-	-	4,541
Inkind Contributions	-	-	132,034	20,751	60,068	-	989	213,842
Total Revenues	<u>46,030</u>	<u>1,632,087</u>	<u>218,767</u>	<u>49,181</u>	<u>99,432</u>	<u>92,315</u>	<u>103,212</u>	<u>2,241,024</u>
EXPENDITURES								
Health, Welfare, & Social Services								
Current:								
Personnel	-	115,973	490,314	84,151	137,769	-	1,576	829,783
Fringe	-	29,017	120,229	14,202	23,357	-	224	187,029
Travel	-	3,846	11,064	135	609	-	-	15,654
Operating Services	-	2,448	89,778	241	32,035	67,420	-	191,922
Operating Supplies	-	1,429	32,750	392	10,222	18,068	-	62,861
Other Costs	35	51,644	12,896	789	4,132	10,467	96,123	176,086
Meals	-	122,010	-	-	169,642	-	-	291,652
Utility Assistance	-	26,735	-	-	-	-	-	26,735
Capital Outlay	-	766,408	-	-	-	-	-	766,408
Inkind	-	-	132,034	20,751	60,068	-	989	213,842
Total Expenditures	<u>35</u>	<u>1,119,510</u>	<u>889,065</u>	<u>120,661</u>	<u>437,834</u>	<u>95,955</u>	<u>98,912</u>	<u>2,761,972</u>
Excess (deficiency) of Revenues over Expenditures	<u>45,995</u>	<u>512,577</u>	<u>(670,298)</u>	<u>(71,480)</u>	<u>(338,402)</u>	<u>(3,640)</u>	<u>4,300</u>	<u>(520,948)</u>
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	670,298	71,480	338,402	3,640	-	1,083,820
Transfers Out	(37,500)	(1,043,220)	-	-	-	-	(3,100)	(1,083,820)
Total other Financing Sources and Uses	<u>(37,500)</u>	<u>(1,043,220)</u>	<u>670,298</u>	<u>71,480</u>	<u>338,402</u>	<u>3,640</u>	<u>(3,100)</u>	<u>-</u>
Net Increase (Decrease) in Fund Balances	<u>8,495</u>	<u>(530,643)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,200</u>	<u>(520,948)</u>
FUND BALANCES								
Beginning of the Year	703,094	2,499,953	-	-	-	-	43	3,203,090
End of the Year	<u>\$ 711,589</u>	<u>\$ 1,969,310</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,243</u>	<u>\$ 2,682,142</u>

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

Year Ended June 30, 2017

Net decrease in fund balances – total governmental funds	\$ (520,948)
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Governmental funds report capital outlays as expenditures. However, in the **Statement of Activities** the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$ 766,408) is more than depreciation expense (\$62,099_). 704,309

Some expenses reported in the **Statement of Activities** do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:

Compensated absences	<u>(4,052)</u>
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Increase of net position of governmental activities	<u><u>\$ 179,309</u></u>
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NOTES TO FINANCIAL STATEMENTS

**Ascension Council on Aging, Inc.
Donaldsonville, Louisiana**

June 30, 2017

Note 1 - Summary Of Significant Accounting Policies

a. Statement of Presentation:

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

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

b. Fund Accounting:

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

Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds presented in the financial statements in this report are as follows:

Governmental Fund types

Governmental funds are those through which most governmental functions of the Council are financed. The acquisition, use and balances of the Council's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following are the Council's governmental funds:

General Fund - The General Fund is the general operating fund of the Council. It is used to account for all financial resources except those required to be accounted for in another fund.

Note 1 - Summary Of Significant Accounting Policies (continued)

Governmental Fund (continued):

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments and major capital projects) that are legally restricted to expenditures for specified purposes. Most of the Council’s special revenue funds are provided by GOEA.

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

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

Major Special Revenue Funds

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

Title III-B Supportive Services Fund

The Title III-B Supportive Services Fund is used to account for funds which are to provide a variety of social services; such as transportation (28,409) information and assistance (1,459), material aid (1,297) homemaker services (9,644), recreation (16,875) utility assistance (259), telephoning (7,138), and outreach (75) to people age 60 and older. Total units of service were 89,694.

Title III C-1 Fund

The Title III C-1 Fund is used to account for funds which are used to provide nutritional, congregate meals to the elderly in strategically located centers. The Council served 25,523 meals this year.

Title III C-2 Home Delivered Meals Fund

Title III C-2 Fund is used to account for funds which are used to provide nutritional, home delivered meals to homebound older persons. The Council delivered 115,609 meals this year.

Senior Center Fund

The Senior Center Fund is used to account for the administration of Senior Center program funds appropriated by the Louisiana Legislature to the Governor’s Office of Elderly Affairs, which in turn “passes through” the funds to the Council. This program provides community service centers at

which older persons receive supportive services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community.

Millage Fund

The Millage Fund is used to account for the revenue received from the Ascension Parish property tax. These funds significantly finance the Council's budget and activities.

Non Major Special Revenue Funds

Title III-E Fund

The Title III-E Fund is used to account for funds which are used to provide continuing education services and information to assist individuals to acquire knowledge about services and/or care giving role and needs.

Supplemental Senior Center Fund

The Louisiana Legislature appropriated additional money for various councils on aging through the state to be used to supplement the primary state grant for senior centers. Ascension Council on Aging, Inc. was one of the parish councils to receive a supplemental grant. These funds are "passed through" the Governor's Office of Elderly Affairs.

Flood Relief Fund

The Flood Relief Fund is used to account for the administration of contributions and grants that were provided to fund relief after the Great Louisiana Flood of August 2016. These funds are used to provide financial assistance to the elderly for the payment of material aid, new furniture and appliances to help recover from the historic flood.

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

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

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

Capital Assets

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

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

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

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

c. Transfers:

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

d. Budget Policy:

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

e. Compensated Absences:

For government wide financial statements, the Council's liability for accumulated unpaid vacation has been recorded. The liability has been determined using the number of vested vacation hours for each employee multiplied by the employee's current wage rate at the end of the year. Accrued vacation benefits will be paid from future years' resources and will be recorded as fund expenditures in the various governmental funds in the year in which they are paid or become due on

demand to terminated employees. The Council's sick leave policy does not provide for the vesting of sick leave where payment would have to be made to a terminated employee for any unused portion.

f. Management's Use of Estimates:

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

g. Revenue Recognition

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

Note 2 - Board of Director's Compensation

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

Note 3 - In Kind Financial Assistance

The Council receives financial assistance from several local governments in the form of part time manpower, volunteers, vehicles, facilities and certain related operating expenses at no charge. Amounts related to this assistance are recorded in these financial statements as In Kind contributions and expenditures.

The total for the year June 30, 2017 was \$213,842.

Note 4 - Economic Dependency

The Council receives a portion of its revenue from funds provided through grants administered by the Louisiana Governor's Office of Elderly Affairs, Louisiana Department of Social Services and the Capital Area Agency on Aging-District II, Inc. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of funds the Council receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Council will receive in the next fiscal year.

Note 5- Transfers

	<u>Transfers Out</u>	<u>Transfers In</u>
<u>SPECIAL REVENUE FUNDS</u>		
Supplemental Senior Center	\$ 3,100	\$ -
Title III B		
Ascension Millage	-	629,698
Supplemental Senior Center	-	3,100
General Fund	-	37,500
Title III C-1		
Ascension Millage	-	71,480
Title III C-2		
Ascension Millage	-	338,402
Ascension Millage		
Title III B	629,698	-
Title III C-1	71,480	-
Title III C-2	338,402	-
Senior Center	3,640	-
Title III E	-	-
Senior Center		
Ascension Millage	-	3,640
III E		
	-	-
<u>GENERAL FUND</u>		
Title III B	37,500	-
Total	<u>\$ 1,083,820</u>	<u>\$ 1,083,820</u>

Note 6 – Property Taxes

Parish Ad valorem taxes are levied on real property in Ascension Parish each year to finance the budget of the Council. Taxes are billed and collected by the Parish of Ascension.

The Parish of Ascension has established separate accounts for the Council on Aging. The activity of the Parish of Ascension/Council on Aging account for the year ended June 30, 2017 includes collection of the ad valorem tax, interest income and the payment of state retirement contributions and a Parish administration fee. The 10 year tax is scheduled to expire December 31, 2023.

Note 7 - General Fixed Assets

The changes in fixed assets are as follows:

	Balance 6/30/2016	Additions	Deletions	Balance 6/30/2017
Furniture & Equipment	\$ 110,724	\$ 4,895	\$ (3,429)	\$ 112,190
Building Improvements	53,678	739,925	-	793,603
Vehicles	407,529	21,588	-	429,117
	<u>\$ 571,931</u>	<u>\$ 766,408</u>	<u>\$ (3,429)</u>	<u>\$ 1,334,910</u>

Note 8 – Deposits With Financial Institutions

At June 30, 2017, The Council had bank balances totaling \$2,566,692. Bank balances totaling \$250,000 are insured by federal deposit insurance while deposits of \$2,366,692 are collateralized by securities held by the depository bank in the Council’s name. This is considered a “Category 1” credit risk in accordance with GASB Statement 3.

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

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

Note 9 – Grants & Accounts Receivable

Accounts receivable at June 30, 2017 included the following funds:

<u>Special Revenue</u>	
Title III B	\$ 10,714
Title III C-1	1,568
Title III C-2	2,273
Title III E	600
<u>General Fund</u>	<u>2,934</u>
Total	<u>\$ 18,089</u>

Note 10 – Income Tax Status

The Council, a non-profit corporation, is exempt from federal income taxes under Section 501(C)3 of the Internal Revenue Code.

Income Tax Status- Ascension Council on Aging, Inc. is a tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as an organization other than a private foundation. The Council, therefore, is not subject to income taxes. However, income from activities not directly related to the Council's tax-exempt purpose is subject to taxation as unrelated business income. The Council had no such income for the year ended June 30, 2017.

On June 30, 2012, the Council adopted the provisions of the Accounting for Uncertainty in Income Taxes Topic of the FASB ASC, which clarifies the accounting and recognition for income tax positions taken or expected to be taken in the Council's income tax returns. Management evaluated the Council's tax positions and concluded that the Council had taken no uncertain tax positions that required adjustments to the financial statements to comply with the provisions of this guidance. Ascension Council on Aging, Inc. is no longer subject to income tax examinations by the U.S. federal, state, or local tax authorities for tax years prior to June 30, 2014.

Note 11- Retirement Plan

The Council provides a retirement plan to its employees. The plan is a defined contribution plan. Total contributions for the year ended June 30, 2017 were \$27,305 and total plan assets were \$315,061.

Note 12 – Subsequent Events.

Management has analyzed subsequent events thru October 31, 2017 the date these financial statements were first made available for distribution. Nothing was deemed necessary for further disclosures.

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

**ASCENSION COUNCIL ON AGING, INC.
DONALDSONVILLE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2017**

<u>REVENUES</u>	<u>BUDGETS</u>		<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental:				
Capital Area Agency on Aging, Inc.	-	-	-	-
Governor's Office of Elderly Affairs	37,500	37,500	37,500	-
Other:				
Miscellaneous	-	-	3,321	3,321
Contributions	-	-	3,930	3,930
Investment Income	-	-	1,279	1,279
Contributions in Kind	-	-	-	-
Total Revenues	<u>37,500</u>	<u>37,500</u>	<u>46,030</u>	<u>8,530</u>
<u>EXPENDITURES</u>				
Current:				
Expenditures in Kind	-	-	-	-
Personnel	-	-	-	-
Operating services	-	-	-	-
and supplies	-	-	-	-
Meals	-	-	-	-
Travel	-	-	-	-
Capital outlay	-	-	-	-
Utility assistance	-	-	-	-
Other	-	-	35	(35)
Total Expenditures	<u>-</u>	<u>-</u>	<u>35</u>	<u>(35)</u>
Excess of Revenues over (under) Expenditures	37,500	37,500	45,995	8,495
<u>OTHER FINANCING SOURCES</u>				
<u>USES</u>				
Operating transfers in	-	-	-	-
Operating transfers out	(37,500)	(37,500)	(37,500)	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,495</u>	<u>\$ 8,495</u>

SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL REVENUE FUND - TITLE III-B
ASCENSION COUNCIL ON AGING, INC.
DONALDSONVILLE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2017

<u>REVENUES</u>	<u>BUDGETS</u>		<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental:				
Capital Area Agency on Aging, Inc.	63,020	63,020	63,020	-
State of Louisiana				-
Other:				
Miscellaneous	-	-	1,220	1,220
Contributions - participants	-	-	2,229	2,229
Contributions - restricted	13,000	13,000	20,264	7,264
Contributions in Kind	132,034	132,034	132,034	-
Total Revenues	<u>208,054</u>	<u>208,054</u>	<u>218,767</u>	<u>10,713</u>
<u>EXPENDITURES</u>				
Current:				
Expenditures in Kind	132,034	132,034	132,034	-
Personnel	520,929	520,929	490,314	30,615
Fringe	143,685	143,685	120,229	23,456
Travel	12,220	12,220	11,064	1,156
Operating services	120,089	120,089	89,778	30,311
Operating supplies	51,270	51,270	32,750	18,520
Meals				
Travel				
Capital outlay				
Utility assistance				
Other	14,530	14,530	12,896	1,634
Total Expenditures	<u>994,757</u>	<u>994,757</u>	<u>889,065</u>	<u>105,692</u>
Excess of Revenues over (under) Expenditures	(786,703)	(786,703)	(670,298)	116,405
<u>OTHER FINANCING SOURCES</u>				
<u>USES</u>				
Operating transfers in	786,703	786,703	670,298	(116,405)
Operating transfers out	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL REVENUE FUND - TITLE III C-1
ASCENSION COUNCIL ON AGING, INC.
DONALDSONVILLE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2017

<u>REVENUES</u>	<u>BUDGETS</u>		<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental:				
Capital Area Agency on Aging, Inc.	20,515	20,515	20,515	-
State of Louisiana				-
Other:				
Miscellaneous				-
Contributions	7,500	7,500	7,915	415
Contributions in Kind	20,751	20,751	20,751	-
Total Revenues	<u>48,766</u>	<u>48,766</u>	<u>49,181</u>	<u>415</u>
<u>EXPENDITURES</u>				
Current:				
Expenditures in Kind	20,751	20,751	20,751	-
Personnel	86,658	86,658	84,151	2,507
Fringe	15,273	15,273	14,202	1,071
Travel	360	360	135	225
Operating services	522	522	241	281
Operating supplies	610	610	392	218
Meals	-	-	789	(789)
Travel				-
Capital outlay				-
Utility assistance				-
Other	1,140	1,140	-	1,140
Total Expenditures	<u>125,314</u>	<u>125,314</u>	<u>120,661</u>	<u>4,653</u>
Excess of Revenues over (under) Expenditures	(76,548)	(76,548)	(71,480)	5,068
<u>OTHER FINANCING SOURCES</u>				
<u>USES</u>				
Operating transfers in	76,548	76,548	71,480	(5,068)
Operating transfers out				-
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL REVENUE FUND - TITLE III C-2
ASCENSION COUNCIL ON AGING, INC.
DONALDSONVILLE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2017**

<u>REVENUES</u>	<u>BUDGETS</u>		<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental:				
Capital Area Agency on Aging, Inc. State of Louisiana	27,065	27,065	27,065	-
Other:				
Miscellaneous				
Contributions	12,000	12,000	12,299	299
Contributions in Kind	60,068	60,068	60,068	-
Total Revenues	<u>99,133</u>	<u>99,133</u>	<u>99,432</u>	<u>299</u>
<u>EXPENDITURES</u>				
Current:				
Expenditures in Kind	60,068	60,068	60,068	-
Personnel	143,710	143,710	137,769	5,941
Fringe	28,394	28,394	23,357	5,037
Travel	1,920	1,920	609	1,311
Operating services	30,979	30,979	32,035	(1,056)
Operating supplies	12,820	12,820	10,222	2,598
Meals	169,642	169,642	169,642	-
Capital outlay				-
Utility assistance				-
Other	3,080	3,080	4,132	(1,052)
Total Expenditures	<u>450,613</u>	<u>450,613</u>	<u>437,834</u>	<u>12,779</u>
Excess of Revenues over (under) Expenditures	(351,480)	(351,480)	(338,402)	13,078
<u>OTHER FINANCING SOURCES</u>				
<u>USES</u>				
Operating transfers in	351,480	351,480	338,402	(13,078)
Operating transfers out	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL REVENUE FUND - SENIOR CENTER**

**ASCENSION COUNCIL ON AGING, INC.
DONALDSONVILLE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2017**

<u>REVENUES</u>	<u>BUDGETS</u>		<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental:				
Capital Area Agency on Aging, Inc.	-	-	-	-
Governor's Office of Edlerly Affairs	84,503	84,503	92,315	7,812
Other:				
Miscellaneous	-	-	-	-
Contributions	-	-	-	-
Contributions in Kind	-	-	-	-
Total Revenues	<u>84,503</u>	<u>84,503</u>	<u>92,315</u>	<u>7,812</u>
<u>EXPENDITURES</u>				
Current:				
Expenditures in Kind	-	-	-	-
Personnel	-	-	-	-
Fringe	-	-	-	-
Operating services	82,000	82,000	67,420	14,580
Operating supplies	18,000	18,000	18,068	(68)
Meals	-	-	-	-
Travel	-	-	-	-
Capital outlay	-	-	-	-
Utility assistance	-	-	-	-
Other	8,000	8,000	10,467	(2,467)
Total Expenditures	<u>108,000</u>	<u>108,000</u>	<u>95,955</u>	<u>12,045</u>
Excess of Revenues over (under) Expenditures	(23,497)	(23,497)	(3,640)	19,857
<u>OTHER FINANCING SOURCES</u>				
<u>USES</u>				
Operating transfers in	23,497	23,497	3,640	(19,857)
Operating transfers out	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL REVENUE FUND -ASCENSION MILLAGE**

**ASCENSION COUNCIL ON AGING, INC.
DONALDSONVILLE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2017**

<u>REVENUES</u>	<u>BUDGETS</u>		<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Ad valorem taxes	\$ 1,574,833	\$ 1,679,833	\$ 1,632,087	\$ (47,746)
Intergovernmental:				
Capital Area Agency on Aging, Inc.	-	-	-	-
Other:				
Miscellaneous	-	-	-	-
Contributions	-	-	-	-
Contributions in Kind	-	-	-	-
Total Revenues	1,574,833	1,679,833	1,632,087	(47,746)
<u>EXPENDITURES</u>				
Current:				
Expenditures in Kind	-	-	-	-
Personnel	120,711	120,711	115,973	4,738
Fringe	26,149	26,149	29,017	(2,868)
Travel	5,200	5,200	3,846	1,354
Operating services	4,650	4,650	2,448	2,202
Operating supplies	21,000	21,000	1,429	19,571
Other	46,450	51,450	51,644	(194)
Meals	30,358	130,358	122,010	8,348
Utility assistance	40,000	40,000	26,735	13,265
Capital outlay	815,458	815,458	766,408	49,050
Total Expenditures	1,109,976	1,214,976	1,119,510	95,466
Excess of Revenues over (under) Expenditures	464,857	464,857	512,577	47,720
<u>OTHER FINANCING SOURCES</u>				
<u>USES</u>				
Operating transfers in				-
Operating transfers out	(1,189,815)	(1,189,815)	(1,043,220)	146,595
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ (724,958)	\$ (724,958)	\$ (530,643)	\$ 194,315
BEGINNING FUND BALANCE	2,499,953	2,499,953	2,499,953	
ENDING FUND BALANCE	\$ 1,774,995	\$ 1,774,995	\$ 1,969,310	

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

**Ascension Council on Aging, Inc.
Donaldsonville, Louisiana
For the year ended June 30, 2017**

Executive Director's (Agency Head) Name: Darlene Schexnayder

Purpose	Amount
Salary	\$ 59,763
Benefits-insurance (health and life)	
Benefits-retirement	850
Benefits-Other (describe)	
Benefits-Other (describe)	
Benefits-Other (describe)	
Car allowance	
Vehicle provided by government (enter amount reported on W-2)	
Per diem	
Reimbursements	
Travel	
Registration fees	
Conference travel	
Housing	
Unvouchered expenses (example: travel advances, etc.)	
Special meals	
Other - Petty Cash Reimbursements	

SUPPLEMENTARY FINANCIAL INFORMATION

Required by: Governor's Office of Elderly Affairs

Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Special Revenue Funds
Ascension Council on Aging, Inc.
Baton Rouge, LA
For the Year Ended June 30, 2017

	Title III E	Utility Asst.	MIPPA	Sup. Senior Center	Flood Relief	Total Non- Major Funds
REVENUES						
Intergovernmental						
Capital Area Agency on Aging	\$ 1,800	\$ -	\$ -	\$ -	\$ -	\$ 1,800
Governor's Office of Elderly Affairs	-	-	1,200	3,100	-	4,300
Public Support						
Contributions-other restricted	-	-	-	-	94,700	94,700
Contributions	-	-	-	-	1,423	1,423
Investment Income	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Inkind Contributions	989	-	-	-	-	989
Total Revenues	2,789	-	1,200	3,100	96,123	103,212
EXPENDITURES						
Health, Welfare, & Social Services						
Current:						
Personnel	1,576	-	-	-	-	1,576
Fringe	224	-	-	-	-	224
Travel	-	-	-	-	-	-
Operating Services	-	-	-	-	-	-
Operating Supplies	-	-	-	-	-	-
Other Costs	-	-	-	-	96,123	96,123
Meals	-	-	-	-	-	-
Utility Assistance	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Inkind Expenditures	989	-	-	-	-	989
Total Expenditures	2,789	-	-	-	96,123	98,912
Excess (deficiency) of Revenues over Expenditures	-	-	1,200	3,100	-	4,300
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	(3,100)	-	(3,100)
Total other Financing Sources and Uses	-	-	-	(3,100)	-	(3,100)
Net Increase (Decrease) in Fund Balances	-	-	1,200	-	-	1,200
FUND BALANCES						
Beginning of the Year	-	(217)	260	-	-	43
End of the Year	\$ -	\$ (217)	\$ 1,460	\$ -	\$ -	\$ 1,243

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

Ascension Council on Aging, Inc.
Donaldsonville, Louisiana

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:				
Vehicles	\$ 407,529	\$ 21,588	\$ -	\$ 429,117
Building improvements	53,678	739,925	-	793,603
Office Furniture and Equipment	110,724	4,895	(3,429)	112,190
Total Fixed Assets	<u>\$ 571,931</u>	<u>\$ 766,408</u>	<u>\$ (3,429)</u>	<u>\$ 1,334,910</u>
Investment in General Fixed Assets:				
Property acquired with funds from- Millage	563,553	766,408	(3,429)	1,326,532
Senior Center	8,378 ⁰	-	-	8,378
Total Investments in General Fixed Assets	<u>\$ 571,931</u>	<u>\$ 766,408</u>	<u>\$ (3,429)</u>	<u>\$ 1,334,910</u>

SUPPLEMENTARY FINANCIAL INFORMATION

REQUIRED BY: OMB CIRCULAR A-133

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

Ascension Council on Aging, Inc.
Donaldsonville, Louisiana

For the year ended June 30, 2017

<u>Grants Passed Through State of Louisiana and Capital Area Agency on Aging</u>	<u>Federal CFDA Number</u>	<u>Program Award Amount</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
Capital Area Agency on Aging- District II, Inc.				
Title III Part C-1	93.045	\$ 18,567	\$ 18,567	\$ 18,567
Title III Part C-2	93.045	14,778	14,778	14,778
Title III Part B	93.044	53,924	53,924	53,924
Title III Part E	93.052	1,350	1,350	1,350
		-----	-----	-----
Totals		\$ 88,619	\$ 88,619	\$ 88,619
		=====	=====	=====

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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

To the Board of Directors,
Ascension Council on Aging
Donaldsonville, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Ascension Council on Aging, Donaldsonville, Louisiana, (the Council) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements, and have issued my report thereon dated October 31, 2017.

Internal Control Over Financial Reporting

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

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

material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

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

Baton Rouge, Louisiana,
October 31, 2017


Michael R. Choate & Company, CPAs

FINDINGS AND QUESTIONED COSTS

Internal Accounting and Administrative Controls and Compliance

Ascension Council on Aging, Inc.
Donaldsonville, Louisiana

June 30, 2017

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

PRIOR YEAR AUDIT FINDINGS

Ascension Council on Aging, Inc.
Donaldsonville, Louisiana

June 30, 2017

MATERIAL WEAKNESSES – JUNE 30, 2016

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

**ASCENSION COUNCIL ON AGING
AGREED UPON PROCEDURES REPORT**

For the year ended June 30, 2017

**MICHAEL R. CHOATE & COMPANY
Certified Public Accountants**

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Independent Accountant’s Report on Applying Agreed-Upon Procedures

Ascension Council on Aging, Inc.
Donaldsonville, Louisiana, USA

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

We have performed the procedures enumerated below, which were agreed to by Ascension Council on Aging, Inc. and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA’s Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2016 through June 30, 2017. The Entity’s management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated findings are as follows:

Procedures:

1. Determine if the following accounting policies are in writing:

Budgeting	Payroll/ Personnel	Ethics
Purchasing	Contracting (vendors)	Debt service
Disbursements	Credit cards	
Receipts	Travel and expense reimbursements	

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

Findings:

1. The policies exist and are in writing.
2. Bank reconciliations: The Executive Director reviews the bank reconciliation and is also involved in bank activities.

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

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


Michael R. Choate & Company CPAs

October 31, 2017

APPENDIX

Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures

Introduction and General Comments

The Louisiana Legislative Auditor (LLA) has prescribed statewide agreed-upon procedures (AUPs) below, which are intended to represent a minimum level of additional work to be performed at those local entities (local governments and quasi-public organizations, including nonprofits) that meet the legal requirement to have an audit under the Audit Law. Those local entities that do not meet the legal requirement to have an audit under the Audit Law are exempt from performing these AUPs. State entities that are included in the Comprehensive Annual Financial Report of the State of Louisiana, or local entities subject to Act 774 of 2014 (St. Tammany Parish), are likewise exempt from the AUPs below. **These AUPs will be effective beginning with those entities that have a June 30, 2017, fiscal year end.**

The AUPs are to be performed under the AICPA attest standards, and the AUP report must be attached to the audit report that is submitted to the Legislative Auditor's office (i.e. one Adobe pdf file submitted to the LLA rather than two). The AUPs are required to be performed by the same firm that performs the annual audit; accordingly, a separate "engagement approval form" for the statewide AUP engagement is not required.

The practitioner should consider these AUPs to be "complementary" rather than "additive" as they may duplicate existing audit procedures. For example, if the AUP below indicates that 25 random transactions should be selected and the practitioner would otherwise plan to test 40 random transactions as part of the entity's audit, the practitioner may use 25 of the 40 transactions for both the audit and the AUP engagement. Also, the scope of the procedures applies to the primary reporting entity and is not required to be extended to discretely presented component units of the entity.

All exceptions are to be included in the AUP report with management's responses/corrective actions. Management may either prepare a single overall response to the AUP report or may respond after each procedure.

If the entity employs one or more internal auditors; the practitioner documents reliance upon the internal audit function as part of the entity's audit; and the internal auditor performs one or more of the specific procedures identified below (internal auditor is not required to perform procedures under the attest standards), the practitioner does not have to include those specific procedures as part of the scope of the AUP engagement or in the AUP report. In that situation, the practitioner should perform the remaining AUPs under the attest standards and document in the AUP report. The practitioner must also include a copy of the internal auditor's procedures performed and exceptions noted when submitting the audit report and AUP report to the LLA. In this situation,

Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures

all three reports should be submitted to the LLA as one Adobe pdf file, and all three reports will be issued by the LLA as public documents.

Please note that the results of the AUPs do not change the practitioner's separate responsibility to report significant deficiencies, material weaknesses, material noncompliance, etc., as part of the regular audit engagement. However, the practitioner should not include the AUP exceptions or internal auditor's exceptions (or a reference to the exceptions) in the audit report's schedule of findings, unless an AUP or internal audit exception rises to the level of a significant deficiency or material weakness and is included as a finding for purposes of the audit.

To avoid creating an undue burden on practitioners, the AUPs may be performed for a 12-month "fiscal period" that does not coincide with the entity's "fiscal year", as long as the 12-month fiscal period is no more than 3 months prior to the end of the entity's fiscal year. For example, the practitioner may perform AUPs for the fiscal period April 1, 2016 through March 31, 2017 for an entity with a fiscal year ending June 30, 2017. All AUPs below will reference fiscal period to mean the 12-months covered by the AUPs.

For nonprofit entities, only those AUPs relevant to public monies (and only to the extent that the AUPs are applicable) are required to be included in the scope of the AUP engagement. For example, if a nonprofit receives \$10 million in non-public funds and also receives \$600,000 in public funds, only the \$600,000 would be subject to these AUPs if the funds are not otherwise commingled. In this example, if the nonprofit did not use the \$600,000 in public funds for payroll or travel expenses, the portions of the AUPs relating to these areas are not required to be included in the scope of the AUP engagement or report.

Additional instructions concerning engagement approvals, report submission protocols, and the availability of forms, examples, and tools related to these procedures will be communicated as they are finalized.

Written Policies and Procedures

1. 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.

Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures

- 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 cards, 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.

Board (or Finance Committee, if applicable)

- 2. 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.

Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures

Bank Reconciliations

3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.
4. 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). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* 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.

Collections

5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.
6. 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). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* **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 the cash in the bank, recording the related transaction, 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.

Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures

- 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 each 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.
7. 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, agency fund forfeiture monies confirmation) by a person who is not responsible for collections.

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

8. 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.
9. Using the disbursement population from #8 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/debit 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; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures

10. 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.
11. 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.
12. 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.
13. 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.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

14. 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.
15. 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.
16. Using the monthly statements or combined statements selected under #15 above, 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).

Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures

- a) For each transaction, report whether the transaction is supported by:
 - An original itemized receipt (i.e., identifies 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.

Travel and Expense Reimbursement

17. 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.
18. Obtain the entity's written policies related to travel and expense reimbursements. Compare the 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.
19. Using the listing or general ledger from #17 above, 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 (#18 above) and report each reimbursement that exceeded those rates.
 - b) Report whether each expense is supported by:

Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures

- 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 individuals 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 reimbursement.

Contracts

20. 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.
21. Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments 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.

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- 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).

Payroll and Personnel

- 22. Obtain a listing of 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.
- 23. 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.
- 24. 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 the termination payments were made in strict accordance with policy and/or contract and approved by management.
- 25. 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

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required reporting forms, were submitted to the applicable agencies by the required deadlines.

Ethics (excluding nonprofits)

26. Using the five randomly selected employees/officials from procedure #22 under “Payroll and Personnel” above, obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed.
27. Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management’s actions complied with the entity’s ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

Debt Service (excluding nonprofits)

28. If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained.
29. If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.
30. If the entity had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off.

Other

31. Inquire of management whether the entity had any misappropriations 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.
32. Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at www.la.gov/hotline) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.
33. If the practitioner observes or otherwise identifies any exceptions regarding management’s representations in the procedures above, report the nature of each exception.