

THE MADISON VOLUNTARY COUNCIL  
ON THE AGING, INC.

*Financial Statements*  
*For the Year Ended June 30, 2022*

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA  
FOR THE YEAR ENDED JUNE 30, 2022

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THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA  
FOR THE YEAR ENDED JUNE 30, 2022

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INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Madison Voluntary Council on Aging, Inc.  
Tallulah, Louisiana

***Report on the Audit of the Financial Statements***

***Opinions***

I have audited the accompanying financial statements of the governmental activities of the Madison Voluntary Council on Aging, Inc., as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Madison Voluntary Council on Aging, Inc., as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

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. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the Madison Voluntary Council on Aging, Inc. and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Madison Voluntary Council on Aging, Inc.'s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Board of Directors  
Madison Voluntary Council on Aging, Inc.  
Tallulah, Louisiana

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

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

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

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

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

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the budgetary comparison information 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.

Board of Directors  
Madison Voluntary Council on Aging, Inc.  
Tallulah, Louisiana

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 the 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 assurances.

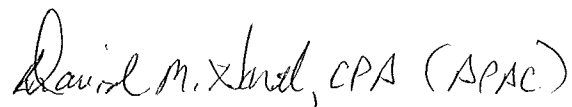
Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. My opinion on the basic financial statements is not affected by this missing information.

#### ***Other Information***

The combining nonmajor fund financial statements, Schedule of Compensation, Benefits and Other Payments to Agency Head and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

#### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, I have also issued my report dated November 1, 2022 on my consideration of the Madison Voluntary Council on Aging, Inc.'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 solely 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 the effectiveness of the Madison Voluntary Council on Aging, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the Madison Voluntary Council on Aging, Inc.'s internal control over financial reporting and compliance.



West Monroe, Louisiana  
November 1, 2022

GOVERNMENT-WIDE FINANCIAL STATEMENTS

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA  
STATEMENT OF NET POSITION  
JUNE 30, 2022

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash	\$ 148,067
Accounts Receivable	74,688
Certificates of Deposit	418,716
Utility Deposits	400
Capital Assets:	
Non-Depreciable	48,275
Depreciable	<u>190,725</u>
<u>TOTAL ASSETS</u>	<u>880,871</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Prepaid Assets	-
<u>LIABILITIES</u>	
Accounts Payable	26,411
Accrued Expenses	20,137
Non-Current Liabilities	
Due Within One Year	
Compensated Absences	13,656
Due in More Than One Year	-
<u>TOTAL LIABILITIES</u>	<u>60,204</u>
<u>NET POSITION</u>	
Net Investment in Capital Assets	239,000
Unrestricted, Utility Assistance	2,323
Unrestricted, Unreserved	<u>579,344</u>
<u>TOTAL NET POSITION</u>	<u><u>\$ 820,667</u></u>

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



THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Direct Expenses</u>	<u>Indirect Expenses</u>
Function/Program Activities		
Governmental Activities:		
Health, Welfare and Social Services:		
Supportive Services:		
Homemaker	\$ 9,481	\$ 6,049
Information and Assistance	1,532	2,484
Outreach	-	126
Transportation	22,551	36,522
Other Services	8,926	6,844
Utility Assistance	8,400	-
Nutrition Services:		
Congregate Meals	44,974	28,967
Home Delivered Meals	118,722	33,490
Utility Assistance	-	-
Disease Prevention and Health Promotion	-	-
National Family Caregiver Support	600	200
Capital Outlay	1,149	-
Senior Activities	32,496	102,996
Parish Transportation Fund	179,433	-
Administration	68,012	-
	<u>\$ 496,276</u>	<u>\$ 217,678</u>
Total Governmental Activities		

Charges for Services	Program Revenues		Net (Expense) Revenue and Changes in Net Position Governmental Activities
	Operating Grants and Contributions	Capital Grants and Contributions	
\$ -	\$ 12,035	\$ -	\$ (3,495)
-	3,210	-	(806)
-	98	-	(28)
-	45,777	-	(13,296)
-	12,221	-	(3,549)
-	6,411	-	(1,989)
-	9,453	-	(64,488)
-	32,675	-	(119,537)
-	-	-	-
-	-	-	-
-	300	-	(500)
-	-	-	(135,492)
-	191,210	-	11,777
-	31,462	-	(36,550)
<u>\$ -</u>	<u>\$ 344,852</u>	<u>\$ -</u>	<u>\$ (369,102)</u>

General Revenues:

Grants and Contributions not Restricted to Specific Programs	176,283
Property Taxes	203,672
Interest Income	3,615
Miscellaneous	2,194
Total General Revenues	<u>385,764</u>
Changes in Net Position	16,662
Net Position - Beginning	<u>804,005</u>
Net Position - Ending	<u>\$ 820,667</u>

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

FUND FINANCIAL STATEMENTS

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA

BALANCE SHEET  
GOVERNMENTAL FUNDS

JUNE 30, 2022

	General Fund	Title IIIB Supportive Services	Title C1 Congregate Meals	Title C2 Home-Delivered Meals
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 62,100	\$ 793	\$ -	\$ 5,566
Accounts Receivable	-	10,754	7,487	24,602
Certificate of Deposit	240,200	-	-	-
Utility Deposits	400	-	-	-
Prepaid Assets	-	-	-	-
Due From Other Funds	379,489	-	-	-
	<u>\$ 682,189</u>	<u>\$ 11,547</u>	<u>\$ 7,487</u>	<u>\$ 30,168</u>
 <u>TOTAL ASSETS</u>				
 <u>LIABILITIES AND FUND BALANCE</u>				
<u>LIABILITIES</u>				
Accounts Payable	\$ -	\$ 220	\$ 2,514	\$ 23,617
Other Accrued Expenses	20,137	-	-	-
Due To Other Funds	6,358	11,327	4,973	6,551
	<u>26,495</u>	<u>11,547</u>	<u>7,487</u>	<u>30,168</u>
 <u>FUND BALANCE</u>				
Fund Balance				
Restricted for:				
Utilities Assistance	-	-	-	-
Unassigned	655,694	-	-	-
Total Fund Balance	<u>655,694</u>	<u>-</u>	<u>-</u>	<u>-</u>
 <u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 682,189</u>	<u>\$ 11,547</u>	<u>\$ 7,487</u>	<u>\$ 30,168</u>

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA  
RECONCILIATION OF TOTAL GOVERNMENTAL  
FUND BALANCES TO NET POSITION OF  
GOVERNMENTAL FUNDS  
JUNE 30, 2022

Parish Transportation Fund	Nonmajor Governmental Funds	Total Governmental Funds		
			Total Governmental Fund Balances	\$ 595,323
			<i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
\$ 63,236	\$ 16,372	\$ 148,067		
31,820	25	74,688		
178,516	-	418,716		
-	-	400	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	239,000
-	-	-		
-	2,323	381,812	Compensated absences are not due and payable in the current period and therefore are not reported in the funds.	(13,656)
<u>\$ 273,572</u>	<u>\$ 18,720</u>	<u>\$ 1,023,683</u>		
			Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	-
\$ 59	\$ 1	\$ 26,411		
-	-	20,137		
352,579	24	381,812	Net Position of Governmental Activities	<u>\$ 820,667</u>
352,638	25	428,360		
-	2,323	2,323		
(79,066)	16,372	593,000		
(79,066)	18,695	595,323		
<u>\$ 273,572</u>	<u>\$ 18,720</u>	<u>\$ 1,023,683</u>		

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

THE MADISON VOLUNTARY COUNCIL ON AGING, INC  
TALLULAH, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022

	General Fund	Title IIIB Supportive Services	Title C1 Congregate Meals	Title C2 Home-Delivered Meals
<u>REVENUES</u>				
Intergovernmental	\$ 135,913	\$ 79,752	\$ 9,453	\$ 32,675
Property Taxes	93,583	-	-	-
Public Support	5,416	7,738	6,262	4,383
Interest Income	3,615	-	-	-
Miscellaneous	2,194	-	-	-
Total Revenues	240,721	87,490	15,715	37,058
<u>EXPENDITURES</u>				
Current:				
Salaries	56,559	47,108	38,550	68,353
Fringe	6,847	5,436	3,666	7,172
Travel	2,745	2,142	780	3,914
Operating Services	54,549	31,479	15,409	19,771
Operating Supplies	14,792	16,750	4,850	8,797
Other Costs	4,133	-	10,686	44,205
Capital Outlay	32,733	-	-	-
Principal Payments	-	-	-	-
Interest Payments	-	-	-	-
Utility Assistance	-	-	-	-
Total Expenditures	172,358	102,915	73,941	152,212
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	68,363	(15,425)	(58,226)	(115,154)
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers - In	327,290	15,425	58,226	115,154
Operating Transfers - Out	(388,215)	-	-	-
Total Other Financing Sources (Uses)	(60,925)	15,425	58,226	115,154
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</u>	7,438	-	-	-
<u>FUND BALANCE AT BEGINNING OF YEAR</u>	648,256	-	-	-
<u>FUND BALANCE AT END OF YEAR</u>	\$ 655,694	\$ -	\$ -	\$ -

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA  
RECONCILIATION OF THE STATEMENT OF  
REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2022

<u>Parish</u> <u>Transportation</u> <u>Fund</u>	<u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>		
			Net Change in Fund Balances - Total	
			Governmental Funds	\$ 7,438
\$ 191,210	\$ 300	\$ 449,303	<i>Amounts reported for governmental activities</i>	
110,089	-	203,672	<i>in the statement of activities are different</i>	
7,663	-	31,462	<i>because:</i>	
-	-	3,615	Governmental funds report capital outlays as	
-	-	2,194	expenditures while governmental activities	
<u>308,962</u>	<u>300</u>	<u>690,246</u>	report depreciation expense to allocate those	
			expenditures over the life of the assets:	
137,782	618	348,970	Capital asset purchases capitalized	73,103
16,423	54	39,598	Depreciation expense	<u>(64,262)</u>
2,076	5	11,662		8,841
14,082	108	135,398	The issuance of long-term debt	
9,070	15	54,274	provides current financial resources to	
-	1,149	60,173	government funds, but the repayment reduces	
-	-	32,733	long-term liabilities in the statements of net position	-
-	-	-	Repayment of debt principle is an	
-	-	-	expenditure in the governmental funds, but	
-	-	-	the repayment reduces long-term liabilities	
<u>179,433</u>	<u>1,949</u>	<u>682,808</u>	in the statement of net position	-
			Some expenses reported in the statement of activities	
129,529	(1,649)	7,438	do not require the use of current financial	
			resources and therefore are not reported as	
87,269	1,649	605,013	expenditures in governmental funds	<u>383</u>
(216,798)	-	(605,013)	Change in Net Position in Governmental	
			Activities	<u>\$ 16,662</u>
<u>(129,529)</u>	<u>1,649</u>	<u>-</u>		
-	-	7,438		
<u>(79,066)</u>	<u>18,695</u>	<u>587,885</u>		
<u>\$ (79,066)</u>	<u>\$ 18,695</u>	<u>\$ 595,323</u>		

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

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2022

Note 1- Summary of Significant Accounting Policies

The financial statements of The Madison Voluntary Council on Aging, Inc. have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. These statements have also incorporated any applicable requirements set forth by *Audits of State and Local Governments*, the industry audit guide issued by the American Institute of Certified Public Accountants; Subsection VI-Annual Financial Reporting, accounting manual for Governor's Office of Elderly Affairs contractors, and the *Louisiana Governmental Audit Guide*. The more significant to the Council's accounting policies are described below. In October 2019, oversight of the Council was turned over to CENLA Area Agency on Aging, Inc. from North Delta Regional Planning and Development District.

A. Reporting Entity

In 1964, the State of Louisiana passed Act 456 that authorized the charter of voluntary councils on aging for the welfare of the aging people in their representative parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. The Madison Voluntary Council on Aging, Inc. is a non-profit, quasi-public, corporation which must comply with the policies and regulations established by the Governor's Office of Elderly Affairs, the state agency which provides the Council with most of its revenues. The Council also receives revenues from other federal, state, and local government agencies that may impose certain restrictions upon how the Council can use the money that they have provided.

The primary function of The Madison Voluntary Council on Aging, Inc. is to improve the quality of life for the parish's elderly and to provide services to the elderly as well as coordinate and monitor the services of other local agencies serving the aging people of the parish. Such services include providing meals, nutritional education, information and referral services, legal assistance, homemaker services, operating senior centers, and transportation. A Board of Directors, consisting of 15 voluntary members who serve three-year terms governs the Council.

The Council is not a component unit of another primary government nor does it have any component units that are related to it. Therefore, the Council has presented its financial statements as a separate special purpose government.

B. Financial Reporting

The Council follows the provisions of the Governmental Accounting Standards Board Statement, Nos. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* (Statement 34), 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus* (Statement 37), and 38, *Certain Financial Statement Note Disclosures* (Statement 38), which establish the financial reporting standards for all state and local governmental entities.



THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2022

Note 1- Summary of Significant Accounting Policies (continued)

B. Financial Reporting (continued)

The accompanying government-wide financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting and reflect transactions of behalf of the Council. The Council accounts for its funds as governmental funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Office of Elderly Affairs funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. Most of the Council's special revenue funds are provided by GOEA.

The Council reports the following major 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. These discretionary funds are accounted for and reported according to the source (federal, state, or local) from which they are derived. The following types of programs comprise the Council's General Fund:

Local Funds

Local funds are received from various local sources; such funds not being restricted to any special use.

PCOA (ACT 735) Funds

PCOA (Act 735) funds are appropriated for the Governor's Office of Elderly Affairs by the Louisiana Legislature for remittance to the Council on Aging. The Council may use these "Act 735" funds at its discretion provided the program is benefiting people who are at least 60.

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2022

Note 1- Summary of Significant Accounting Policies (continued)

B. Financial Reporting (continued)

Senior Center Fund

This program provides community service centers at which older persons receive supportive services and participate in activities which foster their independence, enhance their dignity and encourage their involvement in and with the community.

Supplemental Senior Center Fund

The Louisiana Legislature appropriated additional money for various Councils on Aging through the state to be used to supplement the primary state grant for senior centers. The Madison Voluntary Council On Aging, Inc. was one of the parish councils to receive a supplemental grant.

Title III-B Supportive Services Fund

This program provides access services, in-home services, community services, legal assistance and transportation for the elderly.

Title III C-1 Congregate Meals Fund

These funds are used to provide nutritional congregate meals to the elderly in strategically located centers.

Title III C-2 Home Delivered Meals Fund

These funds are used to provide nutritional meals to home-bound older persons.

The remaining nonmajor funds are as follows:

Title III-E National Family Caregiver Support

To assist in providing multifaceted systems of support services for family caregivers and grandparents or older individuals who are relative caregivers

Utility Assistance Fund

The Utility Assistance fund is used to account for the administration of programs that are sponsored by local utility companies. The companies collect contributions from service customers and remit the funds to the parish Councils on Aging to provide assistance to the elderly for the payment of their utility bills.

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2022

Note 1- Summary of Significant Accounting Policies (continued)

C. Funding Policies and Sources of Funds

Capital Outlay Fund

To account for the Capital Project for expansion of the Transportation facilities and to Council on Aging building.

The Council receives its monies through various methods of funding. NSIP program funds are provided through the Louisiana Governor's Office of Elderly Affairs to help offset raw food cost in Title III C-1 and C-2 programs. This program is funded under the units of service provided method. The Senior Center program and State Allocation (PCOA) and Supplemental Senior Center funds are received as a monthly allocation of the total budget (grant) in advance of the actual expenditure. The Title III-B, C-1, C-2, and E programs are funded based on actual operating cost incurred.

The Council encourages and receives contributions from clients to help offset the costs of the Title III-B, C-1, and C-2 programs. Utility assistance funds are also provided by the Louisiana Association of Council on Aging to the Council under the Helping Hands and Heating Help Energy programs. All of the above mentioned funds, including any other miscellaneous income, are recorded as revenue when the cash is received because the Council cannot predict the timing and amount of receipt.

D. Fund Equity

GASB Statement No. 54 establishes standards for five fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in government funds. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned and unassigned.

Restricted Fund Balance – This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Council's board of directors – the Council's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the board of directors remove the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2022

Note 1 - Summary of Significant Accounting Policies (continued)

D. Fund Equity (continued)

Assigned Fund Balance – This classification reflects the amounts constrained by the Council’s “intent” to be used for specific purposes, but are neither restricted nor committed. The Council’s board of directors and management has the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the general fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned Fund Balance – This fund balance is the residual classification for the general fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the council’s policy to use externally restricted resources first, then unrestricted resources – committed, assigned and unassigned – in order as needed.

E. Compensated Absences

Employees of The Madison Voluntary Council On Aging, Inc. earn up to 12 days of annual leave each year with 10 days allowed to be carried over to the next year, depending on the employee’s working status (full-time or part-time). Employees are compensated upon termination of employment for accrued annual leave.

F. 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 could differ from those estimates.

Note 2 - Cash

*Custodial Credit Risk - Deposits*

The custodial credit risk is the risk that in the event of a bank failure, the Council’s deposits may not be returned to it. The Council’s policy to ensure there is no exposure to this risk is to require each financial institution to pledge its own securities to cover any amount in excess of Federal Depository Insurance Coverage. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Council that the fiscal agent bank has failed to pay deposited funds upon demand. Accordingly, the Council had no custodial risk related to its deposits at June 30, 2022.

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2022

Note 2 – Cash (continued)

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable by both parties. The following is a schedule of the Council's cash and certificates of deposit at June 30, 2022. Differences between Council balances and the bank balances arise because of the net effect of deposits in transit and outstanding checks.

	<u>Council Balances</u>	<u>Bank Balances</u>
Cash on Deposit	\$ 148,067	\$ 153,991
Certificates of Deposit	418,716	418,716

The Council's deposits were collateralized in full by the FDIC for \$250,000 and also pledged collateral of \$513,188 for a total of \$763,188.

Note 3 - Fixed Assets

Fixed asset activity for the year ended June 30, 2022 is as follows:

	<u>Balance July 1, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2022</u>
<b>Assets:</b>				
Land	\$ 48,275	\$ -	\$ -	\$ 48,275
Construction in Progress	25,965	-	-	25,965
Building	47,300	-	-	47,300
Improvements	98,763	-	-	98,763
Portable Building	3,105	-	-	3,105
Vehicles	321,392	73,103	-	394,495
Furniture & Fixtures	<u>49,349</u>	<u>-</u>	<u>-</u>	<u>49,349</u>
Totals at Historical Cost	594,149	73,103	-	667,252
<b>Less Accumulated Depreciation</b>				
For:				
Building	( 13,703)	( 1,177)	-	( 14,880)
Improvements	( 48,296)	( 5,337)	-	( 53,633)
Portable Building	( 3,104)	( -)	-	( 3,104)
Vehicles	( 252,540)	( 57,192)	-	( 309,732)
Furniture & Fixtures	<u>( 46,347)</u>	<u>( 556)</u>	<u>-</u>	<u>( 46,903)</u>
Total Accumulated Depreciation	<u>( 363,990)</u>	<u>( 64,262)</u>	<u>-</u>	<u>( 428,252)</u>
Fixed Assets, Net	<u>\$ 230,159</u>	<u>\$ 8,841</u>	<u>\$ -</u>	<u>\$ 239,000</u>

Depreciation was charged to Administration activities of the Council for \$64,262.

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2022

Note 4- <u>Long-Term Debt</u>	Beginning			Ending	Amounts Due
	<u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u>	<u>Within</u>
					<u>One Year</u>
Governmental Activities:					
Other Liabilities:					
Accrued Vacation	\$ 14,039	\$ -	\$ 383	\$ 13,656	\$ 13,656
Total Long-Term Debt	\$ 14,039	\$ -	\$ 383	\$ 13,656	\$ 13,656

Payment of compensated absences is dependent upon many factors; therefore, the timing of future payments is not readily determinable.

Note 5 - Receivables

There was \$31,820 in accounts receivable from DOTD and \$42,868 from CENLA at June 30, 2022.

Note 6 - In-Kind Contributions

The Council received various in-kind contributions during the year. These in-kind contributions have not been recorded in the financial statements as revenues, nor has the expenditure related to the use of the in-kind been recorded. The primary in-kind contributions consisted of free rent and utilities for the senior center and meal sites, and wages and fringe benefits for volunteer workers.

Note 7 - Board of Directors' Compensation

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. However, board members are reimbursed for out-of-town travel expenses incurred in accordance with the Council's regular personnel policy.

Note 8 - Income Tax Status

The Council is a corporation that is exempt from federal income taxation under Section 501 (c) (3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made; however, should the organization engage in activities unrelated to its exempt purpose, taxable income could result. The organization had no unrelated business income for the year ended June 30, 2022. The earliest income tax year that is subject to examination is 2018.

Note 9 - Litigation and Claims

There was no litigation pending against the Council at June 30, 2022, nor is the Council aware of any unasserted claims.

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2022

Note 10- Risk Management

The Council is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The council has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. No settlements were made during the year that exceeded the Council's insurance coverage.

Note 11 -Federal Award Programs

The Council receives revenues from various federal and state grant programs that are subject to final review and approval as to the allowability of expenditures by the respective grantor agencies. These programs are audited in accordance with the *Single Audit Act Amendment of 1996* and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Any settlements or expenses arising out of a final review are recognized in the period agreed upon by the agency and the Council. Also, it is management's opinion that any audits by the grantor agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect the Council's financial position.

Note 12 -Economic Dependency

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

Note 13 -Subsequent Events

Subsequent events have been evaluated through November 1, 2022 which the day the financial statements were available to be issued, and it has been determined that no significant events have occurred for disclosure.

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2022

Note 14-Interfund Transfers

Operating transfers in and out are listed by fund for 2022:

<u>Funds Transferred In</u>	<u>Funds Transferred Out</u>					<u>Total In</u>
	<u>Supplemental Senior Center</u>	<u>General Fund</u>	<u>Title III C1</u>	<u>Transp</u>	<u>PCOA</u>	
Title IIIB - Supportive Service	\$ -	\$ 15,425	-	\$ -	\$ -	\$ 15,425
Senior Center	10,913	99,580	-	-	-	110,493
General Fund	-	87,268	-	129,529	-	216,798
Capital Outlay Fund	-	1,149	-	-	-	1,149
Transportation Fund	-	-	-	87,268	-	87,268
Title III E	-	500	-	-	-	500
Title III C-1	-	8,226	-	-	50,000	58,226
Title III C-2	-	65,154	-	-	50,000	115,154
<b>Total Out</b>	<b>\$ 10,913</b>	<b>\$ 277,302</b>	<b>\$ -</b>	<b>\$ 216,797</b>	<b>\$ 100,000</b>	<b>\$ 605,013</b>

Note 15-Deficit Fund Balance

The Transportation Fund ended the year with a \$79,066 deficit fund balance.

Note 16-Louisiana Department of Transportation Grant

In prior year, the Council received a grant from Louisiana Department of Transportation for the purchase of a new van. The total amount of the van was \$46,242 with the Federal share being 85% or \$39,306 and the difference of \$6,936 being paid by the Council. The Council received the van during this fiscal year.



REQUIRED SUPPLEMENTAL INFORMATION  
BUDGETARY COMPARISON SCHEDULES

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	\$ 135,913	\$ 135,913	\$ 135,913	\$ -
Property Taxes	70,000	103,000	93,583	(9,417)
Public Support	10,575	7,389	5,416	(1,973)
Interest Income	10,000	4,000	3,615	(385)
Miscellaneous	575	575	2,194	1,619
Total Revenues	<u>227,063</u>	<u>250,877</u>	<u>240,721</u>	<u>(10,156)</u>
<u>Expenditures</u>				
Salaries	24,550	69,120	56,559	12,561
Fringe	2,735	7,587	6,847	740
Travel	219	999	2,745	(1,746)
Operating Services	7,226	25,499	54,549	(29,050)
Operating Supplies	5,036	11,032	14,792	(3,760)
Other Costs	200	1,200	4,133	(2,933)
Capital Outlay	-	26,861	32,733	(5,872)
Principal Payments	-	-	-	-
Interest Payments	-	-	-	-
Total Expenditures	<u>39,966</u>	<u>142,298</u>	<u>172,358</u>	<u>(30,060)</u>
<u>Excess of Revenues</u>				
<u>Over Expenditures</u>	187,097	108,579	68,363	(40,216)
<u>Other Financing Sources (Uses)</u>				
Transfers In	-	-	327,290	327,290
Transfers Out	(201,964)	(207,852)	(388,215)	(180,363)
Total Other Financing Sources (Uses)	<u>(201,964)</u>	<u>(207,852)</u>	<u>(60,925)</u>	<u>146,927</u>
<u>Net Change in Fund Balance</u>	<u>(14,867)</u>	<u>(99,273)</u>	<u>7,438</u>	<u>106,711</u>
<u>Fund Balance at Beginning of Year</u>	<u>648,256</u>	<u>648,256</u>	<u>648,256</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 633,389</u>	<u>\$ 548,983</u>	<u>\$ 655,694</u>	<u>\$ 106,711</u>

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

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA  
BUDGETARY COMPARISON SCHEDULE  
TITLE IIIB - SUPPORTIVE SERVICES  
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	\$ 66,578	\$ 66,578	\$ 79,752	\$ 13,174
Public Support	8,000	8,000	7,738	(262)
Total Revenues	<u>74,578</u>	<u>74,578</u>	<u>87,490</u>	<u>12,912</u>
<u>Expenditures</u>				
Salaries	50,047	50,047	47,108	2,939
Fringe	5,493	5,493	5,436	57
Travel	1,368	1,368	2,142	(774)
Operating Services	26,063	26,063	31,479	(5,416)
Operating Supplies	8,342	8,342	16,750	(8,408)
Other Costs	201	201	-	201
Capital Outlay	-	-	-	-
Total Expenditures	<u>91,514</u>	<u>91,514</u>	<u>102,915</u>	<u>(11,401)</u>
<u>Excess (Deficiency) of Revenues</u>				
<u>Over Expenditures</u>	(16,936)	(16,936)	(15,425)	1,511
<u>Other Financing Sources (Uses)</u>				
Transfers In (Out)	<u>16,936</u>	<u>16,936</u>	<u>15,425</u>	<u>(1,511)</u>
<u>Net Change in Fund Balance</u>	-	-	-	-
<u>Fund Balance at Beginning of Year</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA  
BUDGETARY COMPARISON SCHEDULE  
TITLE C1 - CONGREGATE MEALS  
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	\$ 21,012	\$ 21,012	\$ 9,453	\$ (11,559)
Public Support	3,000	7,000	6,262	(738)
Total Revenues	<u>24,012</u>	<u>28,012</u>	<u>15,715</u>	<u>(12,297)</u>
<u>Expenditures</u>				
Salaries	29,015	20,342	38,550	(18,208)
Fringe	3,233	2,233	3,666	(1,433)
Travel	227	266	780	(514)
Operating Services	7,496	6,788	15,409	(8,621)
Operating Supplies	1,282	780	4,850	(4,070)
Other Costs	24,900	45,000	10,686	34,314
Capital Outlay	-	-	-	-
Total Expenditures	<u>66,153</u>	<u>75,409</u>	<u>73,941</u>	<u>1,468</u>
<u>Excess (Deficiency) of Revenues</u>				
<u>Over Expenditures</u>	(42,141)	(47,397)	(58,226)	(10,829)
<u>Other Financing Sources (Uses)</u>				
Transfers Out	<u>42,141</u>	<u>47,397</u>	<u>58,226</u>	<u>10,829</u>
<u>Net Change in Fund Balance</u>	-	-	-	-
<u>Fund Balance at Beginning of Year</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
BUDGETARY COMPARISON SCHEDULE  
TITLE C2 - HOME-DELIVERED MEALS  
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Over (Under)
	Original	Final		
<u>Revenues</u>				
Intergovernmental	\$ 111,655	\$ 111,655	\$ 32,675	\$ (78,980)
Public Support	10,200	5,000	4,383	(617)
Total Revenues	121,855	116,655	37,058	(79,597)
<u>Expenditures</u>				
Salaries	77,463	76,538	68,353	8,185
Fringe	8,631	8,401	7,172	1,229
Travel	1,780	5,221	3,914	1,307
Operating Services	27,126	31,191	19,771	11,420
Operating Supplies	8,748	12,023	8,797	3,226
Other Costs	149,767	131,007	44,205	86,802
Capital Outlay	-	-	-	-
Total Expenditures	273,515	264,381	152,212	112,169
<u>Excess (Deficiency) of Revenues Over Expenditures</u>				
	(151,660)	(147,726)	(115,154)	32,572
<u>Other Financing Sources (Uses)</u>				
Transfers Out	151,660	147,726	115,154	(32,572)
<u>Net Change in Fund Balance</u>	-	-	-	-
<u>Fund Balance at Beginning of Year</u>	-	-	-	-
<u>FUND BALANCE AT END OF YEAR</u>	\$ -	\$ -	\$ -	\$ -

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

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
BUDGETARY COMPARISON SCHEDULE  
TRANSPORTATION FUND  
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
<u>Revenues</u>				
Intergovernmental	\$ 60,106	\$ 185,000	\$ 191,210	\$ 6,210
Property Taxes	150,000	17,316	110,089	92,773
Interest Income	-	-	-	-
Public Support	4,000	8,500	7,663	(837)
Total Revenues	<u>214,106</u>	<u>210,816</u>	<u>308,962</u>	<u>98,146</u>
<u>Expenditures</u>				
Salaries	136,776	127,870	137,782	(9,912)
Fringe	15,241	14,036	16,423	(2,387)
Travel	1,177	1,843	2,076	(233)
Operating Services	50,505	54,157	14,082	40,075
Operating Supplies	10,407	12,910	9,070	3,840
Other Costs	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>214,106</u>	<u>210,816</u>	<u>179,433</u>	<u>31,383</u>
<u>Excess (Deficiency) of Revenues Over Expenditures</u>				
	-	-	129,529	129,529
<u>Other Financing Sources (Uses)</u>				
Transfers In	-	-	(129,529)	(129,529)
<u>Net Change in Fund Balance</u>	-	-	-	-
<u>Fund Balance at Beginning of Year</u>	<u>(79,066)</u>	<u>(79,066)</u>	<u>(79,066)</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ (79,066)</u>	<u>\$ (79,066)</u>	<u>\$ (79,066)</u>	<u>\$ -</u>

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

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA  
NOTES TO BUDGETARY COMPARISON SCHEDULES  
FOR THE YEAR ENDED JUNE 30, 2022

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

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

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

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

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

All budgetary appropriations lapse at the end of each fiscal year (June 30).

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

Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control device.

The Council may transfer funds between line items as often as required, but must obtain prior approval for the Governor's Office of Elderly Affairs for funds received under grants from this state agency.

Expenditures cannot legally exceed appropriations on an individual level.

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

SUPPLEMENTAL INFORMATION SCHEDULES REQUIRED BY  
GOEA



THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA

GENERAL FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2022

	Programs of the General Fund				Total General Fund
	Local	PCOA (Act 735)	Senior Center	Supplemental Senior Center	
<u>ASSETS</u>					
Cash & Cash Equivalents	\$ 55,306	\$ -	\$ 6,794	\$ -	\$ 62,100
Certificate of Deposit	240,200	-	-	-	240,200
Utility Deposits	400	-	-	-	400
Due From Other Funds	379,489	-	-	-	379,489
<u>TOTAL ASSETS</u>	<u>\$ 675,395</u>	<u>\$ -</u>	<u>\$ 6,794</u>	<u>\$ -</u>	<u>\$ 682,189</u>
 <u>LIABILITIES AND FUND BALANCE</u>					
<u>LIABILITIES</u>					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Other Accrued Expenses	19,701	-	436	-	20,137
Due To Other Funds	-	-	6,358	-	6,358
Total Current Liabilities	19,701	-	6,794	-	26,495
 <u>FUND BALANCE</u>					
Unassigned	655,694	-	-	-	655,694
Total Fund Balance	655,694	-	-	-	655,694
 <u>TOTAL LIABILITIES AND FUND BALANCE</u>	 <u>\$ 675,395</u>	 <u>\$ -</u>	 <u>\$ 6,794</u>	 <u>\$ -</u>	 <u>\$ 682,189</u>

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA

GENERAL FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2022

	<u>Programs of the General Fund</u>				<u>Total General Fund</u>
	<u>Local</u>	<u>PCOA (Act 735)</u>	<u>Senior Center</u>	<u>Supplemental Senior Center</u>	
<u>Revenues</u>					
Intergovernmental	\$ -	\$ 100,000	\$ 25,000	\$ 10,913	\$ 135,913
Public Support	5,416	-	-	-	5,416
Property Taxes	93,583	-	-	-	93,583
Miscellaneous	2,194	-	-	-	2,194
Interest Income	3,615	-	-	-	3,615
Total Revenues	<u>104,808</u>	<u>100,000</u>	<u>25,000</u>	<u>10,913</u>	<u>240,721</u>
<u>Expenditures</u>					
Salaries	-	-	56,559	-	56,559
Fringe	-	-	6,847	-	6,847
Travel	-	-	2,745	-	2,745
Operating Services	-	-	54,549	-	54,549
Operating Supplies	-	-	14,792	-	14,792
Other Costs	4,133	-	-	-	4,133
Interest Payments	-	-	-	-	-
Principal Payments	-	-	-	-	-
Capital Outlay	32,733	-	-	-	32,733
Total Expenditures	<u>36,866</u>	<u>-</u>	<u>135,492</u>	<u>-</u>	<u>172,358</u>
<u>Excess of Revenues Over</u>					
<u>Expenditures</u>	67,942	100,000	(110,492)	10,913	68,363
<u>Other Financing Sources (Uses)</u>					
Operating Transfers In	216,798	-	110,492	-	327,290
Operating Transfers Out	(277,302)	(100,000)	-	(10,913)	(388,215)
Total Other Financing Sources (Uses)	<u>(60,504)</u>	<u>(100,000)</u>	<u>110,492</u>	<u>(10,913)</u>	<u>(60,925)</u>
<u>Excess of Revenues and Other</u>					
<u>Financing Sources Over</u>					
<u>Expenditures and Other</u>					
<u>Financing Uses</u>	7,438	-	-	-	7,438
<u>Fund Balance at Beginning of Year</u>					
	648,256	-	-	-	648,256
<u>FUND BALANCE AT</u>					
<u>END OF YEAR</u>	<u>\$ 655,694</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 655,694</u>

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA

NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2022

	<u>Title III E Caregiver</u>	<u>Utilities Assistance</u>	<u>Total Nonmajor Special Revenue Funds</u>
<u>ASSETS</u>			
Cash & Cash Equivalents	\$ -	\$ -	\$ -
Receivables	25	-	25
Due From North Delta	-	-	-
Due From Other Funds	-	2,323	2,323
<u>TOTAL ASSETS</u>	<u>\$ 25</u>	<u>\$ 2,323</u>	<u>\$ 2,348</u>
 <u>LIABILITIES AND FUND BALANCES</u>			
<u>LIABILITIES</u>			
Accounts Payable	\$ 1	\$ -	\$ 1
Due To Other Funds	24	-	24
Total Liabilities	<u>25</u>	<u>-</u>	<u>25</u>
 Fund Balances:			
Restricted for:			
Utilities Assistance	-	2,323	2,323
Unrestricted	-	-	-
Total Fund Balances	<u>-</u>	<u>2,323</u>	<u>2,323</u>
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	<u>\$ 25</u>	<u>\$ 2,323</u>	<u>\$ 2,348</u>

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA

NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Title III E</u> <u>Caregiver</u>	<u>Utilities</u> <u>Assistance</u>	<u>Nonmajor</u> <u>Special Revenue</u> <u>Funds</u>
<u>REVENUES</u>			
Intergovernmental:			
CENLA Area Agency on			
Aging, Inc.	\$ 300	\$ -	\$ 300
State Contract - DOTD	-	-	-
Public Support:			
LA Association of Councils on Aging	-	-	-
Client Contributions	-	-	-
Total Public Support	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	300	-	300
<u>EXPENDITURES</u>			
Current:			
Salaries	618	-	618
Fringe	54	-	54
Travel	5	-	5
Operating Services	108	-	108
Operating Supplies	15	-	15
Other Costs	-	-	-
Total Current Expenditures	<u>800</u>	<u>-</u>	<u>800</u>
Capital Outlay	-	-	-
Utility Assistance	-	-	-
Total Expenditures	<u>800</u>	<u>-</u>	<u>800</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u> <u>OVER EXPENDITURES</u>	(500)	-	(500)
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers - In	500	-	500
Operating Transfers - Out	-	-	-
Total Other Financing Sources (Uses)	<u>500</u>	<u>-</u>	<u>500</u>
<u>EXCESS OF REVENUES AND OTHER</u> <u>FINANCING SOURCES OVER</u> <u>EXPENDITURES AND OTHER</u> <u>FINANCING USES</u>			
	-	-	-
<u>FUND BALANCES AT BEGINNING OF</u> <u>YEAR</u>			
	<u>-</u>	<u>2,323</u>	<u>2,323</u>
<u>FUND BALANCES AT END OF YEAR</u>			
	<u>\$ -</u>	<u>\$ 2,323</u>	<u>\$ 2,323</u>

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA

NONMAJOR CAPITAL PROJECT FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2022

	<u>Capital Outlay Fund</u>	<u>Total Nonmajor Capital Project Funds</u>
<u>ASSETS</u>		
Cash & Cash Equivalents	\$ 16,372	\$ 16,372
Receivables	-	-
Due From Other Funds	-	-
<u>TOTAL ASSETS</u>	<u>\$ 16,372</u>	<u>\$ 16,372</u>
<u>LIABILITIES AND FUND BALANCES</u>		
<u>LIABILITIES</u>		
Accounts Payable	\$ -	\$ -
Due To Other Funds	-	-
Total Liabilities	-	-
Fund Balances:		
Restricted for:		
Utilities Assistance	-	-
Unrestricted	16,372	16,372
Total Fund Balances	<u>16,372</u>	<u>16,372</u>
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	<u>\$ 16,372</u>	<u>\$ 16,372</u>

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA

NONMAJOR CAPITAL PROJECT FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Capital Outlay Fund</u>	<u>Nonmajor Capital Project Funds</u>
<u>REVENUES</u>		
Intergovernment Grants	\$ -	\$ -
Public Support:		
LA Association of Councils on Aging	-	-
Client Contributions	-	-
Total Public Support	-	-
 Total Revenues	 -	 -
<u>EXPENDITURES</u>		
Current:		
Salaries	-	-
Fringe	-	-
Travel	-	-
Operating Services	-	-
Operating Supplies	-	-
Other Costs	1,149	1,149
Total Current Expenditures	1,149	1,149
 Capital Outlay	 -	 -
Utility Assistance	-	-
Total Expenditures	1,149	1,149
 <u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	 (1,149)	 (1,149)
<u>OTHER FINANCING SOURCES (USES)</u>		
Operating Transfers - In	1,149	1,149
Operating Transfers - Out	-	-
Total Other Financing Sources (Uses)	1,149	1,149
 <u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</u>	 -	 -
 <u>FUND BALANCES AT BEGINNING OF YEAR</u>	 16,372	 16,372
 <u>FUND BALANCES AT END OF YEAR</u>	 \$ 16,372	 \$ 16,372

GENERAL FIXED ASSETS

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA

SCHEDULE OF GENERAL FIXED ASSETS

JUNE 30, 2022 AND 2021

	<u>Balance</u> <u>June 30,</u> <u>2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30,</u> <u>2022</u>
<u>GENERAL FIXED ASSETS</u>				
Land	\$ 48,275	\$ -	\$ -	\$ 48,275
Construction in Progress	25,965	-	-	25,965
Buildings	47,300	-	-	47,300
Improvements	98,763	-	-	98,763
Portable Building	3,105	-	-	3,105
Vehicles	321,392	73,103	-	394,495
Office Furniture and Equipment	49,349	-	-	49,349
	<u>594,149</u>	<u>73,103</u>	<u>-</u>	<u>667,252</u>
<u>TOTAL GENERAL FIXED ASSETS</u>				
 <u>INVESTMENT IN GENERAL FIXED ASSET</u>				
Property Acquired After July 1, 1985				
With Funds From:				
Act 735 PCOA	77,652	-	-	77,652
General Fund	286,700	26,861	-	313,561
FmHA Loan	-	-	-	-
Title III- C-1	-	-	-	-
Title III- C-2	-	-	-	-
Title III- B Supportive Services	-	-	-	-
Senior Center	11,944	-	-	11,944
Donation	5,000	-	-	5,000
Department of Transportation Sec. 5310 E&D	212,853	46,242	-	259,095
	<u>594,149</u>	<u>73,103</u>	<u>-</u>	<u>667,252</u>
<u>TOTAL INVESTMENT IN GENERAL</u> <u>FIXED ASSETS</u>				

\* Records reflecting sources from which assets were acquired were not maintained prior to July 1, 1985.



OTHER SUPPLEMENTAL INFORMATION

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2022

<u>Federal Grants/Pass Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Program or Award Amount</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
U.S. Department of Health & Human Services - Administration on Aging: Passed Through Governor's Office of Elderly Affairs:				
Aging Cluster of Special Programs for the Aging:				
Title III, Part B - Supportive Services	93.044	\$ 66,578	\$ 66,578	\$ 66,578
Title III, Part B - Supportive Services American Rescue Plan	93.044	13,174	13,174	13,174
Title III, Part C - Congregate Meals American Rescue Plan	93.045	2,947	2,947	2,947
Title III, Part C - Home Delivered Meals American Rescue Plan	93.045	6,506	6,506	6,506
Title III, Part C - Home Delivered Meals American Rescue Plan	93.045	16,252	16,252	16,252
Title III, Part E - National Family Caregiver Support	93.052	300	300	300
Total of Aging Cluster		122,180	122,180	122,180
Department of Transportation and Development Public Transportation Capital Assistance Program	20.509	191,210	191,210	191,210
Section 5311 Rural Vehicle Program Capital Assistance Grant	20.500	46,242	46,242	46,242
<u>TOTAL FEDERAL AWARDS</u>		<u>\$ 359,632</u>	<u>\$ 359,632</u>	<u>\$ 359,632</u>

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA  
NOTES TO SCHEDULE OF EXPENDITURES  
OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2022

1. General

The Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of the Council. The Council did not pass through any of its federal awards to a subrecipient during the year.

2. Basis of Accounting

The Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting as contemplated under accounting principles generally accepted in the United States of America and which is the same basis of accounting used for presenting the general purpose financial statements. The information in this schedule is presented in accordance with the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**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  
The Madison Voluntary Council on Aging, Inc.  
Tallulah, 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 Madison Voluntary Council on Aging, Inc. as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise The Madison Council on Aging, Inc.'s basic financial statements and have issued my report thereon dated November 1, 2022.

**Internal Control Over Financial Reporting**

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

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

To the Board of Directors  
The Madison Voluntary Council on Aging, Inc.  
Page 2

### **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 purpose 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 Council's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. The purpose of this report is for the information of management, the Governor's Office of Elderly Affairs and the Legislative Auditor and is not intended to be or should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is to be distributed by the Legislative Auditor as a public document.

*David M. Hart, CPA (APAC)*

West Monroe, Louisiana  
November 1, 2022

THE MADISON VOLUNTARY COUNCIL ON AGING, INC  
TALLULAH, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2022

To the Board of Directors  
The Madison Voluntary Council on Aging, Inc.  
Tallulah, Louisiana

I have audited the financial statements of The Madison Voluntary Council on Aging, Inc. as of and for the year ended June 30, 2022, and have issued my report thereon dated November 1, 2022. 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. My audit of the financial statements as of June 30, 2022, resulted in an unqualified opinion.

Section I- Summary of Auditor's Results

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

Internal Control

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

Compliance

Compliance Material to Financial Statements  yes  no

B. Federal Awards

Material Weakness Identified  yes  no  
Significant Deficiencies not considered to be  
Material Weaknesses  yes  no

Type of Opinion on Compliance For Major Programs (No Major Programs)

Unqualified  Qualified   
Disclaimer  Adverse

Are their findings required to be reported in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)?  
N/A

C. Identification of Major Programs: N/A

Name of Federal Program (or cluster)  
CFDA Number(s)

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

Is the auditee a "low-risk" auditee, as defined by the Uniform Guidance? N/A

THE MADISON VOLUNTARY COUNCIL ON AGING, INC  
TALLULAH, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2022

Section II- Financial Statement Findings

No financial statement findings

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

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
TALLULAH, LOUISIANA  
SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2022

Section I- Internal Control and Compliance Material to the Financial Statements

This section is not applicable for this entity.

Section II- Internal Control and Compliance Material to Federal Awards

This section is not applicable for this entity.

Section III- Management Letter

No management letter was issued.



THE MADISON VOLUNTARY COUNCIL ON AGING, INC.  
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO  
AGENCY HEAD OR CHIEF EXECUTIVE OFFICER  
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Executive Director Mike Rome</u>
Purpose	
Salary	\$ 56,770
Fringe Benefits	13,513
Travel	4,408
Total	<u>\$ 74,691</u>

INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED-UPON PROCEDURES

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

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

Madison Voluntary Council on Aging, Inc. has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2021 through June 30, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and related exceptions obtained are described in the attachment to this report.

I was engaged by the Madison Voluntary Council on Aging, Inc. to perform this agreed-upon procedures engagement and conducted my engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. I was not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

I am required to be independent of the Madison Voluntary Council on Aging, Inc. and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my agreed-upon procedures engagement.

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

*David M. Hartt, CPA (APAC)*

West Monroe, Louisiana  
November 1, 2022

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

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1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
  - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
  - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
  - c) ***Disbursements***, including processing, reviewing, and approving.
  - d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
  - e) ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
  - f) ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
  - g) ***Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
  - h) ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
  - i) ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
  - j) ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Exceptions

No exceptions noted in the above procedures.

**Board or Finance Committee**

---

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
  - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
  - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
  - c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Exceptions

No exceptions noted in the above procedures.

**Bank Reconciliations**

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- 3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
- c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

#### Exceptions

No evidence that a member of management/board member has reviewed the reconciliations, but either the Director or office manager will initial after review is made each month starting in the next fiscal year.

#### ***Collections (excluding electronic funds transfers)***

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4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
  - a) Employees responsible for cash collections do not share cash drawers/registers.
  - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
  - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
  - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.
6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection*

*log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.
- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- c) Trace the deposit slip total to the actual deposit per the bank statement.
- d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
- e) Trace the actual deposit per the bank statement to the general ledger.

#### Exceptions

No exceptions were identified in the performance of the procedures listed above.

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

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

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

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:

- a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

#### Exceptions

No exceptions were identified in the performance of the procedures listed above.

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

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

#### Exceptions

There was no backup or other support for the credit card expenditures tested. The Council will start making sure there is proper backup to support each credit card transaction.

### ***Travel and Travel-Related Expense Reimbursements (excluding card transactions)***

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

#### Exceptions

No exceptions were identified in the performance of the procedures listed above.

### ***Contracts***

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

#### Exceptions

No exceptions were identified in the performance of the procedures listed above.



## ***Payroll and Personnel***

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16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
  - a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
  - b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.
  - c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
  - d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.
19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

### Exceptions

No exceptions were identified in the performance of the procedures listed above.

## ***Ethics***

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20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above: obtain ethics documentation from management, and:
  - a) Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

- b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Exceptions

No exceptions were identified in the performance of the procedures listed above.

***Debt Service***

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

Exceptions

The Council has no debt.

***Fraud Notice***

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

Exceptions

Inquired of management whether the Council had any misappropriations of public funds or assets and there was none. The entity does have posted on its premises, the notice required by R.S. 24:523.1.

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

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- 25. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**
  - a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If

backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

#### Exceptions

I performed the procedure and discussed the results with management.

#### ***Sexual Harassment***

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

#### Exceptions

None of the employees or board members received the one hour sexual harassment training.