

THE MADISON VOLUNTARY COUNCIL
ON THE AGING, INC.

Financial Statements
For the Year Ended June 30, 2025

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2025

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THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2025

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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

We 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, 2025, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Madison Voluntary Council on Aging, Inc., as of June 30, 2024, 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

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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*, we:

- 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 our 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.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the 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

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during the audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any 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. Our 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 our 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*, we have also issued our report dated November 17, 2025 on our consideration of the Madison Voluntary Council on Aging, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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.

David M. Hardt, CPA (APAC)

West Monroe, Louisiana
November 17, 2025

GOVERNMENT-WIDE FINANCIAL STATEMENTS

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
STATEMENT OF NET POSITION
JUNE 30, 2025

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash	\$ 174,071
Accounts Receivable	68,712
Certificates of Deposit	192,117
Utility Deposits	400
Capital Assets:	
Non-Depreciable	48,275
Depreciable	832,391
<u>TOTAL ASSETS</u>	<u>1,315,966</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Prepaid Assets	-
<u>LIABILITIES</u>	
Accounts Payable	24,665
Accrued Expenses	25,494
Non-Current Liabilities	
Due Within One Year	
Compensated Absences	14,851
Line of Credit	181,050
Notes Payable	71,264
Due in More Than One Year	193,685
<u>TOTAL LIABILITIES</u>	<u>511,009</u>
<u>NET POSITION</u>	
Net Investment in Capital Assets	880,666
Unrestricted, Utility Assistance	2,323
Unrestricted, Unreserved	(78,032)
<u>TOTAL NET POSITION</u>	<u>\$ 804,957</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, 2025

	Direct Expenses	Indirect Expenses
Function/Program Activities		
Governmental Activities:		
Health, Welfare and Social Services:		
Supportive Services:		
Homemaker	\$ 15,739	\$ 11,817
Information and Assistance	-	2,562
Outreach	-	148
Transportation	62,628	29,118
Other Services	4,567	1,214
Wellness	9,432	1,589
Nutrition Services:		
Congregate Meals	42,655	16,658
Home Delivered Meals	326,061	95,712
Utility Assistance	-	-
Disease Prevention and Health Promotion	-	-
National Family Caregiver Support	-	-
Capital Outlay	-	-
Senior Activities	51,330	-
Parish Transportation Fund	355,676	-
Administration	115,052	-
	<u>\$ 983,140</u>	<u>\$ 158,818</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	
\$ -	\$ 80,221	\$ -	\$ 52,665
-	-	-	(2,562)
-	-	-	(148)
-	-	-	(91,746)
-	-	-	(5,781)
-	-	-	(11,021)
-	55,120	-	(4,193)
-	119,668	-	(302,105)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	(51,330)
-	125,157	-	(230,519)
-	38,250	-	(76,802)
<u>\$ -</u>	<u>\$ 418,416</u>	<u>\$ -</u>	<u>\$ (723,542)</u>

General Revenues:

Grants and Contributions not Restricted to Specific Programs	160,913
Property Taxes	223,053
Employee Retention Credit	231,791
Interest Income	11,985
Miscellaneous	561
Total General Revenues	<u>628,303</u>
Changes in Net Position	(95,239)
Net Position - Beginning	<u>900,196</u>
Net Position - Ending	<u>\$ 804,957</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, 2025

	General Fund	Title IIIB Supportive Services	Title C1 Congregate Meals	Title C2 Home-Delivered Meals
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 23,937	\$ 1,119	\$ -	\$ 475
Accounts Receivable	-	13,726	9,564	20,990
Certificate of Deposit	-	-	-	-
Utility Deposits	400	-	-	-
Prepaid Assets	-	-	-	-
Due From Other Funds	741,917	-	-	-
<u>TOTAL ASSETS</u>	<u>\$ 766,254</u>	<u>\$ 14,845</u>	<u>\$ 9,564</u>	<u>\$ 21,465</u>
 <u>LIABILITIES AND FUND BALANCE</u>				
<u>LIABILITIES</u>				
Accounts Payable	\$ 481	\$ 1,384	\$ 1,965	\$ 18,958
Other Accrued Expenses	25,494	-	-	-
Due To Other Funds	-	13,461	7,599	2,507
Total Liabilities	25,975	14,845	9,564	21,465
 <u>FUND BALANCE</u>				
Fund Balance				
Restricted for:				
Utilities Assistance	-	-	-	-
Unassigned	740,279	-	-	-
Total Fund Balance	740,279	-	-	-
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 766,254</u>	<u>\$ 14,845</u>	<u>\$ 9,564</u>	<u>\$ 21,465</u>

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
RECONCILIATION OF TOTAL GOVERNMENTAL
FUND BALANCES TO NET POSITION OF
GOVERNMENTAL FUNDS
JUNE 30, 2025

Capital Outlay Fund	Parish Transportation Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 110,949	\$ 37,591	\$ -	\$ 174,071
-	24,432	-	68,712
-	192,117	-	192,117
-	-	-	400
-	-	-	-
-	-	2,323	744,240
<u>\$ 110,949</u>	<u>\$ 254,140</u>	<u>\$ 2,323</u>	<u>\$ 1,179,540</u>
\$ -	\$ 1,877	\$ -	\$ 24,665
-	-	-	25,494
-	720,673	-	744,240
-	722,550	-	794,399
-	-	2,323	2,323
110,949	(468,410)	-	382,818
<u>110,949</u>	<u>(468,410)</u>	<u>2,323</u>	<u>385,141</u>
<u>\$ 110,949</u>	<u>\$ 254,140</u>	<u>\$ 2,323</u>	<u>\$ 1,179,540</u>

Total Governmental Fund Balances \$ 385,141

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 880,666

Compensated absences are not due and payable in the current period and therefore are not reported in the funds. (14,851)

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. (445,999)

Net Position of Governmental Activities \$ 804,957

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, 2025

	<u>General Fund</u>	<u>Title IIIB Supportive Services</u>	<u>Title C1 Congregate Meals</u>	<u>Title C2 Home-Delivered Meals</u>
<u>REVENUES</u>				
Intergovernmental	\$ 160,913	\$ 80,221	\$ 55,120	\$ 119,668
Property Taxes	109,688	-	-	-
Employee Retention Credit	231,791	-	-	-
Public Support	9,788	5	2,689	3,216
Interest Income	3,581	-	-	-
Miscellaneous	561	-	-	-
Total Revenues	<u>516,322</u>	<u>80,226</u>	<u>57,809</u>	<u>122,884</u>
<u>EXPENDITURES</u>				
Current:				
Salaries	26,732	45,954	23,149	126,514
Fringe	2,773	4,911	2,093	13,120
Travel	232	1,716	138	1,097
Operating Services	12,422	74,916	6,264	55,232
Operating Supplies	9,171	11,317	819	14,124
Other Costs	22,778	-	26,850	211,686
Capital Outlay	-	-	-	-
Principal Payments	-	-	-	-
Interest Payments	-	-	-	-
Utility Assistance	-	-	-	-
Total Expenditures	<u>74,108</u>	<u>138,814</u>	<u>59,313</u>	<u>421,773</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	442,214	(58,588)	(1,504)	(298,889)
<u>OTHER FINANCING SOURCES (USES)</u>				
Proceeds From Notes Payable	170,414	-	-	-
Operating Transfers - In	40,166	58,588	1,504	298,889
Operating Transfers - Out	(360,311)	-	-	-
Total Other Financing Sources (Uses)	<u>(149,731)</u>	<u>58,588</u>	<u>1,504</u>	<u>298,889</u>
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</u>	292,483	-	-	-
<u>FUND BALANCE AT BEGINNING OF YEAR</u>	447,796	-	-	-
<u>FUND BALANCE AT END OF YEAR</u>	\$ 740,279	\$ -	\$ -	\$ -

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, 2025

Capital Outlay Fund	Parish Transportation Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 125,157	\$ -	\$ 541,079
-	113,365	-	223,053
-	-	-	231,791
-	22,552	-	38,250
-	8,404	-	11,985
-	-	-	561
-	<u>269,478</u>	-	<u>1,046,719</u>
-	189,740	-	412,089
-	20,924	-	43,821
-	2,004	-	5,187
-	116,668	-	265,502
-	18,754	-	54,185
-	-	-	261,314
-	-	-	-
-	30,000	-	30,000
-	7,586	-	7,586
-	-	-	-
-	<u>385,676</u>	-	<u>1,079,684</u>
-	(116,198)	-	(32,965)
-	-	-	170,414
-	-	-	399,147
-	<u>(38,836)</u>	-	<u>(399,147)</u>
-	<u>(38,836)</u>	-	<u>170,414</u>
-	(155,034)	-	137,449
<u>110,949</u>	<u>(313,376)</u>	<u>2,323</u>	<u>247,692</u>
<u>\$ 110,949</u>	<u>\$ (468,410)</u>	<u>\$ 2,323</u>	<u>\$ 385,141</u>

Net Change in Fund Balances - Total
Governmental Funds \$ 137,449

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

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

Capital asset capitalized	-
Depreciation expense	<u>(69,053)</u>
	(69,053)

The issuance of long-term debt
provides current financial resources to
government funds, but the repayment reduces
long-term liabilities in the statements of net position (193,890)

Repayment of debt principle is an
expenditure in the governmental funds, but
the repayment reduces long-term liabilities
in the statement of net position 30,000

Some expenses reported in the statement of activities
do not require the use of current financial
resources and therefore are not reported as
expenditures in governmental funds 255

Change in Net Position in Governmental
Activities \$ (95,239)

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

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, 2025

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, 2025

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, 2025

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, 2025

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, 2025.

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, 2025

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, 2025. 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	\$ 174,071	\$ 193,882
Certificates of Deposit	192,117	192,117

The Council's deposits were collateralized in full by the FDIC and pledged securities.

Note 3 - Fixed Assets

Fixed asset activity for the year ended June 30, 2025 is as follows:

	<u>Balance July 1, 2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2025</u>
Assets:				
Land	\$ 48,275	\$ -	\$ -	\$ 48,275
Construction in Progress	636,329	-	-	636,329
Building	47,300	-	-	47,300
Improvements	129,594	-	-	129,594
Portable Building	3,105	-	-	3,105
Vehicles	554,743	-	-	554,743
Furniture & Fixtures	<u>49,349</u>	<u>-</u>	<u>-</u>	<u>49,349</u>
Totals at Historical Cost	1,468,695	-	-	1,468,695
Less Accumulated Depreciation				
For:				
Building	(29,037)	(17,013)	-	(46,050)
Improvements	(62,325)	(3,955)	-	(66,280)
Portable Building	(3,104)	(-)	-	(3,104)
Vehicles	(375,801)	(47,446)	-	(423,247)
Furniture & Fixtures	<u>(48,709)</u>	<u>(639)</u>	<u>-</u>	<u>(49,348)</u>
Total Accumulated Depreciation	<u>(518,976)</u>	<u>(69,053)</u>	<u>-</u>	<u>(588,029)</u>
Fixed Assets, Net	<u>\$ 949,719</u>	<u>\$ (69,053)</u>	<u>\$ -</u>	<u>\$ 880,666</u>

Depreciation was charged to Administration activities of the Council for \$69,053.

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Note 4- <u>Long-Term Debt</u>	Amounts Due				
	<u>Beginning</u>			<u>Ending</u>	<u>Within</u>
	<u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u>	<u>One Year</u>
Governmental Activities:					
Other Liabilities:					
Accrued Vacation	\$ 12,455	\$ 2,396	\$ _____	\$ 14,851	\$ 14,851
Total Long-Term Debt	<u>\$ 12,455</u>	<u>\$ 2,396</u>	<u>\$ _____</u>	<u>\$ 14,851</u>	<u>\$ 14,851</u>

Payment of compensated absences is dependent upon many factors; therefore, the timing of future payments is not readily determinable; benefits are computed in accordance with GASB 101.

Note 5 - Receivables

There was \$24,432 in accounts receivable from DOTD, and \$44,280 from GOEA at June 30, 2025.

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, 2025. The earliest income tax year that is subject to examination is 2021.

Note 9 - Litigation and Claims

There was no litigation pending against the Council at June 30, 2025, 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, 2025

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 17, 2025 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, 2025

Note 14-Interfund Transfers

Operating transfers in and out are listed by fund for 2025:

<u>Funds Transferred In</u>	<u>Funds Transferred Out</u>					<u>Total In</u>
	<u>Supplemental Senior Center</u>	<u>General Fund</u>	<u>Senior Center</u>	<u>Transp.</u>	<u>PCOA</u>	
Title IIIB - Supportive Service	\$ 10,913	\$ 6,578	\$ 3,993	\$ -	\$ 37,104	\$ 58,588
Senior Center	-	1,330	-	-	-	1,330
General Fund	-	-	-	38,836	-	38,836
Capital Outlay Fund	-	-	-	-	-	-
Transportation Fund	-	-	-	-	-	-
Title III E	-	-	-	-	-	-
Title III C-1	-	1	-	-	1,503	1,504
Title III C-2	-	237,496	-	-	61,393	298,889
Total Out	<u>\$ 10,913</u>	<u>\$ 245,405</u>	<u>\$ 3,993</u>	<u>\$ 38,836</u>	<u>\$ 100,000</u>	<u>\$ 399,147</u>

Note 15-Deficit Fund Balance

The Transportation Fund ended the year with a \$468,410 deficit fund balance.

Note 16-Notes Payable

In prior year, the Council obtained a loan for building construction in the amount of \$325,000 payable in 52 months with an interest rate at 8.75%. At the end of the year, the amount owed for the note payable was \$264,949.

During the current year, the Council obtained a line of credit and received draws during the year which totaled \$181,050, with an interest rate of 3.45%, all of which is due July 1, 2025.

The annual requirements to amortize the outstanding debt at June 30, 2025, including interest, is \$445,999 is as follows:

<u>Year</u>	<u>Principle</u>	<u>Interest</u>
2026	\$ 252,314	\$ 16,367
2027	77,756	10,436
2028	70,180	2,792
2028	<u>45,749</u>	<u>1,094</u>
Total	<u>\$ 445,999</u>	<u>\$ 30,689</u>

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Note 17-Employee Retention Credit

During the year, the Council received an Employee Retention Credit (ERC) refund in the amount of \$231,791. The ERC program was established under the Coronavirus Aid, Relief and Economic Security (CARES) Act and later amended by subsequent federal legislation to provide payroll related tax credits to eligible employers affected by the COVID-19 pandemic. The Council engaged an external professional firm to evaluate its eligibility and prepare all required documentation in support of the credit. Based on this analysis, the credit was claimed and subsequently processed and paid by the Internal Revenue Service (IRS).

While the ERC has been received, questions continue to exist regarding the applicability of the program to certain nonprofit and quasi-governmental entities, including councils on aging in Louisiana. Accordingly, there remains a possibility that the IRS could review or challenge the Council's eligibility for the credit in future periods. As of the date of issuance of these financial statements, the Council has not received any notice of examination, disallowance, or request for repayment from the IRS.

Management believes it acted in good faith, relied on competent professional guidance, and complied with all requirements known at the time the claim was filed. However, because the outcome of any potential future IRS review cannot be reasonably predicted and no amount of potential of repayment, if any, can be reasonably estimated, no liability has been recorded in the accompanying financial statements. The Council will continue to monitor developments related to the ERC program guidance and will evaluate the need for recognition or disclosure in future periods as additional information becomes available.

Note 18-Prior Period Adjustment

In prior years, the Council obtained funding related to the ARPA grant funding. All of the funds were spent prior to current year and the remaining deficit fund balances were transferred to the general fund. This resulted in a change to beginning fund balance in the general fund in the amount of \$15,486 as shown below:

	<u>Govt-Wide Net Assets</u>	<u>General Fund Balance</u>
June 30, 2025, as		
Previously Reported	\$ 915,682	\$ 463,282
Change Within the		
Accounting Entity	<u>(\$ 15,486)</u>	<u>(\$ 15,486)</u>
June 30, 2025, as		
Restated	<u>\$ 900,196</u>	<u>\$ 447,796</u>

Note 19-Deficit Fund Balance

At June 30, 2025, the Council reported a deficit fund balance of \$468,410 in the Public Transportation Fund.

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, 2025

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Over (Under)
	Original	Final		
<u>Revenues</u>				
Intergovernmental	\$ 160,913	\$ 160,913	\$ 160,913	\$ -
Property Taxes	109,000	106,000	109,688	3,688
Employee Retention Credit	-	-	231,791	231,791
Public Support	12,000	12,000	9,788	(2,212)
Interest Income	5,000	5,000	3,581	(1,419)
Miscellaneous	-	500	561	61
Total Revenues	286,913	284,413	516,322	231,909
<u>Expenditures</u>				
Salaries	25,127	23,812	26,732	(2,920)
Fringe	2,667	2,580	2,773	(193)
Travel	351	143	232	(89)
Operating Services	7,429	8,299	12,422	(4,123)
Operating Supplies	6,924	10,229	9,171	1,058
Other Costs	500	-	22,778	(22,778)
Capital Outlay	-	-	-	-
Principal Payments	-	-	-	-
Interest Payments	500	-	-	-
Total Expenditures	43,498	45,063	74,108	(29,045)
<u>Excess of Revenues</u>				
<u>Over Expenditures</u>	243,415	239,350	442,214	202,864
<u>Other Financing Sources (Uses)</u>				
Proceeds From Notes Payable	-	-	170,414	170,414
Transfers In	-	-	40,166	40,166
Transfers Out	(335,193)	(340,850)	(360,311)	(19,461)
Total Other Financing Sources (Uses)	(335,193)	(340,850)	(149,731)	191,119
<u>Net Change in Fund Balance</u>	(91,778)	(101,500)	292,483	393,983
<u>Fund Balance at Beginning of Year</u>	463,282	463,282	447,796	15,486
<u>FUND BALANCE AT END OF YEAR</u>	\$ 371,504	\$ 361,782	\$ 740,279	\$ 409,469

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, 2025

	<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	\$ 73,791	\$ 80,221	\$ 80,221	\$ -
Public Support	1,100	1,100	5	(1,095)
Total Revenues	<u>74,891</u>	<u>81,321</u>	<u>80,226</u>	<u>(1,095)</u>
<u>Expenditures</u>				
Salaries	48,969	61,363	45,954	15,409
Fringe	5,198	6,648	4,911	1,737
Travel	1,627	1,391	1,716	(325)
Operating Services	34,092	60,390	74,916	(14,526)
Operating Supplies	10,176	9,421	11,317	(1,896)
Other Costs	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>100,062</u>	<u>139,213</u>	<u>138,814</u>	<u>399</u>
<u>Excess (Deficiency) of Revenues</u>				
<u>Over Expenditures</u>	(25,171)	(57,892)	(58,588)	(696)
<u>Other Financing Sources (Uses)</u>				
Transfers In (Out)	<u>25,171</u>	<u>57,892</u>	<u>58,588</u>	<u>696</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, 2025

	<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	\$ 48,303	\$ 55,120	\$ 55,120	\$ -
Public Support	3,100	3,100	2,689	(411)
Total Revenues	<u>51,403</u>	<u>58,220</u>	<u>57,809</u>	<u>(411)</u>
<u>Expenditures</u>				
Salaries	22,459	11,212	23,149	(11,937)
Fringe	2,384	1,215	2,093	(878)
Travel	258	50	138	(88)
Operating Services	5,461	2,914	6,264	(3,350)
Operating Supplies	679	432	819	(387)
Other Costs	20,305	43,000	26,850	16,150
Capital Outlay	-	-	-	-
Total Expenditures	<u>51,546</u>	<u>58,823</u>	<u>59,313</u>	<u>(490)</u>
<u>Excess (Deficiency) of Revenues Over Expenditures</u>				
	(143)	(603)	(1,504)	(901)
<u>Other Financing Sources (Uses)</u>				
Transfers Out	<u>143</u>	<u>603</u>	<u>1,504</u>	<u>901</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, 2025

	<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	\$ 100,840	\$ 119,668	\$ 119,668	\$ -
Public Support	3,800	3,800	3,216	(584)
Total Revenues	<u>104,640</u>	<u>123,468</u>	<u>122,884</u>	<u>(584)</u>
<u>Expenditures</u>				
Salaries	167,485	133,530	126,514	7,016
Fringe	17,778	14,466	13,120	1,346
Travel	3,051	785	1,097	(312)
Operating Services	47,549	53,706	55,232	(1,526)
Operating Supplies	12,398	13,644	14,124	(480)
Other Costs	172,801	198,000	211,686	(13,686)
Capital Outlay	-	-	-	-
Total Expenditures	<u>421,062</u>	<u>414,131</u>	<u>421,773</u>	<u>(7,642)</u>
<u>Excess (Deficiency) of Revenues Over Expenditures</u>				
	(316,422)	(290,663)	(298,889)	(8,226)
<u>Other Financing Sources (Uses)</u>				
Transfers Out	<u>316,422</u>	<u>290,663</u>	<u>298,889</u>	<u>8,226</u>
<u>Net Change in Fund Balance</u>				
	-	-	-	-
<u>Fund Balance at Beginning of Year</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
TRANSPORTATION FUND
FOR THE YEAR ENDED JUNE 30, 2025

	<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	\$ 190,000	\$ 196,000	\$ 125,157	\$ (70,843)
Property Taxes	116,000	116,000	113,365	(2,635)
Interest Income	-	-	22,552	22,552
Miscellaneous	-	-	8,404	8,404
Public Support	-	-	-	-
Total Revenues	<u>306,000</u>	<u>312,000</u>	<u>269,478</u>	<u>(42,522)</u>
<u>Expenditures</u>				
Salaries	156,614	162,392	189,740	(27,348)
Fringe	16,624	17,593	20,924	(3,331)
Travel	6,363	1,614	2,004	(390)
Operating Services	66,518	157,983	116,668	41,315
Operating Supplies	15,692	27,640	18,754	8,886
Other Costs	-	-	-	-
Principle Payments	-	-	30,000	(30,000)
Interest Payments	-	-	7,586	(7,586)
Total Expenditures	<u>261,811</u>	<u>367,222</u>	<u>385,676</u>	<u>(18,454)</u>
<u>Excess (Deficiency) of Revenues Over Expenditures</u>				
	44,189	(55,222)	(116,198)	(60,976)
<u>Other Financing Sources (Uses)</u>				
Proceeds from Notes Payable	-	-	-	-
Transfers Out	-	-	(38,836)	(38,836)
	<u>-</u>	<u>-</u>	<u>(38,836)</u>	<u>(38,836)</u>
<u>Net Change in Fund Balance</u>	44,189	(55,222)	(155,034)	(99,812)
<u>Fund Balance at Beginning of Year</u>	<u>(313,376)</u>	<u>(313,376)</u>	<u>(313,376)</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ (269,187)</u>	<u>\$ (368,598)</u>	<u>\$ (468,410)</u>	<u>\$ (99,812)</u>

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

MADISON COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
NOTES TO BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED JUNE 30, 2025

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

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

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

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

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

All budgetary appropriations lapse at the end of 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.

Unfavorable budget items are as follows:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
General Fund Other Costs	\$ -	\$ 22,778	(\$ 22,778)
IIIB Operating Services	\$ 60,390	\$ 74,916	(\$ 14,526)
C1 Salaries	\$ 11,212	\$ 23,149	(\$ 11,937)
C1 Operating Services	\$ 2,914	\$ 6,264	(\$ 3,350)
C2 Other Costs	\$198,000	\$211,686	(\$ 13,686)
Transportation Fund Intergovernmental Rev	\$196,000	\$125,157	(\$ 70,843)
Transportation Fund Salaries	\$162,392	\$189,740	(\$ 27,348)
Transportation Fund Loan Payment	\$ -	\$ 37,586	(\$ 37,586)

SUPPLEMENTAL INFORMATION SCHEDULES REQUIRED BY
GOEA

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

GENERAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2025

	Programs of the General Fund				Total General Fund
	Local	PCOA (Act 735)	Senior Center	Supplemental Senior Center	
<u>ASSETS</u>					
Cash & Cash Equivalents	\$ 23,456	\$ -	\$ 481	\$ -	\$ 23,937
Certificate of Deposit	-	-	-	-	-
Prepayments for Vans	-	-	-	-	-
Utility Deposits	400	-	-	-	400
Due From Other Funds	741,917	-	-	-	741,917
<u>TOTAL ASSETS</u>	<u>\$ 765,773</u>	<u>\$ -</u>	<u>\$ 481</u>	<u>\$ -</u>	<u>\$ 766,254</u>
 <u>LIABILITIES AND FUND BALANCE</u>					
<u>LIABILITIES</u>					
Accounts Payable	\$ -	\$ -	\$ 481	\$ -	\$ 481
Other Accrued Expenses	25,494	-	-	-	25,494
Due To Other Funds	-	-	-	-	-
Total Current Liabilities	25,494	-	481	-	25,975
 <u>FUND BALANCE</u>					
Unassigned	740,279	-	-	-	740,279
Total Fund Balance	<u>740,279</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>740,279</u>
 <u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 765,773</u>	<u>\$ -</u>	<u>\$ 481</u>	<u>\$ -</u>	<u>\$ 766,254</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, 2025

	<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	\$ 50,000	\$ 10,913	\$ 160,913
Public Support	9,788	-	-	-	9,788
Property Taxes	109,688	-	-	-	109,688
Employee Retention Credit	231,791	-	-	-	231,791
Miscellaneous	561	-	-	-	561
Interest Income	3,581	-	-	-	3,581
Total Revenues	<u>355,409</u>	<u>100,000</u>	<u>50,000</u>	<u>10,913</u>	<u>516,322</u>
<u>Expenditures</u>					
Salaries	-	-	26,732	-	26,732
Fringe	-	-	2,773	-	2,773
Travel	-	-	232	-	232
Operating Services	-	-	12,422	-	12,422
Operating Supplies	-	-	9,171	-	9,171
Other Costs	22,778	-	-	-	22,778
Interest Payments	-	-	-	-	-
Principal Payments	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	<u>22,778</u>	<u>-</u>	<u>51,330</u>	<u>-</u>	<u>74,108</u>
<u>Excess of Revenues Over</u>					
<u>Expenditures</u>	332,631	100,000	(1,330)	10,913	442,214
<u>Other Financing Sources (Uses)</u>					
Loan Proceeds	170,414	-	-	-	170,414
Operating Transfers In	38,836	-	1,330	-	40,166
Operating Transfers Out	(249,398)	(100,000)	-	(10,913)	(360,311)
Total Other Financing Sources (Uses)	<u>(40,148)</u>	<u>(100,000)</u>	<u>1,330</u>	<u>(10,913)</u>	<u>(149,731)</u>
<u>Excess of Revenues and Other</u>					
<u>Financing Sources Over</u>					
<u>Expenditures and Other</u>					
<u>Financing Uses</u>	292,483	-	-	-	292,483
Fund Balance at Beginning of Year (Restated)	<u>447,796</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>447,796</u>
<u>FUND BALANCE AT</u>					
<u>END OF YEAR</u>	<u>\$ 740,279</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 740,279</u>

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

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2025

	<u>Title III E</u> <u>Caregiver</u>	<u>Utilities</u> <u>Assistance</u>	<u>Total Nonmajor</u> <u>Special Revenue</u> <u>Funds</u>
<u>ASSETS</u>			
Cash & Cash Equivalents	\$ -	\$ -	\$ -
Receivables	-	-	-
Due From North Delta	-	-	-
Due From Other Funds	-	2,323	2,323
<u>TOTAL ASSETS</u>	<u>\$ -</u>	<u>\$ 2,323</u>	<u>\$ 2,323</u>
 <u>LIABILITIES AND FUND BALANCES</u>			
<u>LIABILITIES</u>			
Accounts Payable	\$ -	\$ -	\$ -
Due To Other Funds	-	-	-
Total Liabilities	-	-	-
 Fund Balances:			
Restricted for:			
Utilities Assistance	-	2,323	2,323
Unrestricted	-	-	-
Total Fund Balances	-	2,323	2,323
<u>TOTAL LIABILITIES AND</u> <u>FUND BALANCES</u>	<u>\$ -</u>	<u>\$ 2,323</u>	<u>\$ 2,323</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, 2025

	Title III E Caregiver	Utilities Assistance	Nonmajor Special Revenue Funds
<u>REVENUES</u>			
Intergovernmental:			
CENLA Area Agency on Aging, Inc.	\$ -	\$ -	\$ -
State Contract - DOTD	-	-	-
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	-	-	-
Total Current Expenditures	-	-	-
Capital Outlay	-	-	-
Utility Assistance	-	-	-
Total Expenditures	-	-	-
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	-	-	-
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers - In	-	-	-
Operating Transfers - Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
<u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</u>			
	-	-	-
<u>FUND BALANCES AT BEGINNING OF YEAR</u>	-	2,323	2,323
<u>FUND BALANCES AT END OF YEAR</u>	\$ -	\$ 2,323	\$ 2,323

GENERAL FIXED ASSETS

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

SCHEDULE OF GENERAL FIXED ASSETS

JUNE 30, 2025 AND 2024

	Balance June 30, 2024	Additions	Deletions	Balance June 30, 2025
<u>GENERAL FIXED ASSETS</u>				
Land	\$ 48,275	\$ -	\$ -	\$ 48,275
Construction in Progress	636,329	-	-	636,329
Buildings	47,300	-	-	47,300
Improvements	129,594	-	-	129,594
Portable Building	3,105	-	-	3,105
Vehicles	554,743	-	-	554,743
Office Furniture and Equipment	49,349	-	-	49,349
<u>TOTAL GENERAL FIXED ASSETS</u>	<u>\$ 1,468,695</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,468,695</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	966,349	-	-	966,349
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	407,750	-	-	407,750
<u>TOTAL INVESTMENT IN GENERAL FIXED ASSETS</u>	<u>\$ 1,468,695</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,468,695</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, 2025

<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	\$ 80,221	\$ 80,221	\$ 80,221
Title III, Part C - Congregate Meals	93.045	55,120	55,120	55,120
Title III, Part C - Home Delivered Meals	93.045	119,668	119,668	119,668
Title III, Part E - National Family Caregiver Support	93.052	-	-	-
Total of Aging Cluster		255,009	255,009	255,009
Department of Transportation and Development Public Transportation Capital Assistance Program	20.509	125,157	125,157	125,157
Section 5311 Rural Vehicle Program Capital Assistance Grant	20.500	-	-	-
<u>TOTAL FEDERAL AWARDS</u>		<u>\$ 380,166</u>	<u>\$ 380,166</u>	<u>\$ 380,166</u>

THE MADISON VOLUNTARY COUNCIL ON AGING, INC.
TALLULAH, LOUISIANA
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of The Madison Voluntary Council on Aging, Inc. as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise The Madison Council on Aging, Inc.'s basic financial statements and have issued our report thereon dated November 17, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we 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 our 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, we 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.

Our 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 our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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. Sand, CPA (APAC)

West Monroe, Louisiana
November 17, 2025

THE MADISON VOLUNTARY COUNCIL ON AGING, INC
TALLULAH, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025

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

We have audited the financial statements of The Madison Voluntary Council on Aging, Inc. as of and for the year ended June 30, 2025, and have issued our report thereon dated November 17, 2025. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 2025, resulted in an 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 X no
Significant Deficiencies not considered to be
Material Weaknesses ___ yes X no

Compliance

Compliance Material to Financial Statements ___yes X no

B. Federal Awards

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

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

Unqualified _____ Qualified _____
Disclaimer _____ Adverse _____

Are there 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, 2025

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, 2025

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, 2025

	<u>Executive Director Mike Rome</u>
Purpose	
Salary	\$ 69,962
Fringe Benefits	5,353
Travel	2,903
Total	<u>\$ 78,218</u>

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Madison Council on Aging and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Madison Council on Aging (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, 2024 through June 30, 2025. The Entity's management is responsible for those C/C areas identified in the SAUPs.

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

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

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

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

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

David M. Hartt, CPA (APAC)

West Monroe, Louisiana
November 17, 2025

1) Written Policies and Procedures

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

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

No exceptions noted in the above procedures

2) Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and
 - i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - ii. For those entities reporting on the governmental accounting model, review the minutes from all regularly scheduled board/finance committee meetings held during the fiscal year and observe whether the minutes from at least one meeting each month referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, at a minimum, on all proprietary funds, and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

No exceptions were noted in the above procedures.

3) Bank Reconciliations

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

No exceptions were noted in the above procedures.

4) Collections (excluding electronic funds transfers)

- A. 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).
- B. 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 (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that

- i. Employees responsible for cash collections do not share cash drawers/registers;
 - ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
 - iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and
 - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and
- i. Observe that receipts are sequentially pre-numbered.
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - iii. Trace the deposit slip total to the actual deposit per the bank statement.
 - iv. Observe that the deposit was made within one business day of 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).
 - v. Trace the actual deposit per the bank statement to the general ledger.

No exceptions noted in the above procedures.

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

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

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

- C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and
 - i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
 - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.
- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and

observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. *Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.*

No exceptions noted in the above procedures.

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

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and
 - i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., itemized receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
 - ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under procedure #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection)
- D. For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

No exceptions noted in the above procedures.

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

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected
- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana (doa.la.gov/doa/ost/ppm-49-travel-guide/) or the U.S. General Services Administration (www.gsa.gov);
 - ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
 - iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and
 - iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

There were no exceptions noted in the above procedures.

8) Contracts

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and
- i. 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;
 - ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);

- iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and
- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

No exceptions noted in the above procedures.

9) Payroll and Personnel

- A. 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.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
 - i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
 - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.
- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums) have been paid, and any associated forms have been filed, by required deadlines.

There were no exceptions noted in the above procedures.

10) Ethics

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

No exceptions noted.

11) Debt Service

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

No exceptions noted in the above procedures.

12) Fraud Notice

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

- B. Observe that the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

No exceptions noted in the above procedures.

13) Information Technology Disaster Recovery/Business Continuity

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 there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
- B. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
- 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.
- D. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in Payroll and Personnel procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.
- E. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:
- Hired before June 9, 2020 - completed the training; and
 - Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

We performed the procedures and discussed the results with management. No exceptions were noted.

14) *Prevention of Sexual Harassment*

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

No exceptions noted.