

**FINANCIAL REPORT**

**ASSUMPTION PARISH  
COUNCIL ON AGING, INC.**

**NAPOLEONVILLE, LOUISIANA**

**For the year ended June 30, 2017**

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

**FINANCIAL REPORT**

**ASSUMPTION PARISH  
COUNCIL ON AGING, INC.**

**NAPOLEONVILLE, LOUISIANA**

**For the year ended June 30, 2017**

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For the year ended June 30, 2017

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **Assumption Parish Council on Aging, Inc.**

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

### **FINANCIAL HIGHLIGHTS**

The Council's assets exceeded its liabilities at the close of fiscal year 2017 by \$2,354,836 (net position), which represents a (2.9%) decrease from last fiscal year.

The Council's revenue decreased (\$185,824) (or 11%) primarily due to decreases in intergovernmental revenue of (\$23,904) and decreases in property tax special assessments of (\$161,373). DOTD revenue increased \$30,383. United Way grant decreased (\$10,269); Public support revenue decreased (\$16,755).

The Council's expenditures decreased (\$40,597) (or 3.2 %) due to a decrease in capital outlay of (\$15,953), decrease in personnel and fringe of (\$45,231) and increase in meals of \$12,871. Operating services and supplies increased \$8,097.

No funds had deficit balances.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

## **Government-wide Financial Statements**

The government-wide financial statements (see Exhibits A and B) are designed to provide readers with a broad overview of the Council's finances, in a manner similar to a private sector business. The statement of net assets presents information on all of the Council's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Council is improving or deteriorating. The statement of activities presents information showing how the Council's net assets change during each fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. The governmental activity of the Council is health and welfare which is comprised of various programs that include various supportive services, nutritional services, utility assistance and respite.

## **Fund Financial Statements**

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

## **Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities (Exhibits D and F).

The Council has presented the General Fund, Assumption Millage Fund, Title III B-Supportive Services Fund, Section 5311 and Title XIX Transportation Fund as major funds (Exhibits C and E). All non-major governmental funds are presented in one column, titled Non Major Governmental Funds. Combining financial statements of the non-major funds can be found in the Combining Fund Statements that follow the basic financial statements (Schedules 3 and 4).

## **Notes to the Financial Statements**

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

## **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements. The Governmental Accounting Standards Board (GASB) Statement No. 34 requires budgetary comparison schedules for the General Fund and each major Special Revenue Fund that has a legally adopted budget (Exhibits H,I,J,K and L).

The Council has a section of supplementary information. The Governor's Office of Elderly Affairs (GOEA) has required the Council to present combining statements that provide details about our non-major governmental funds and details about capital assets and the changes in capital assets. This information will be used by GOEA to verify the accuracy of information submitted to them during the year and to help monitor certain compliance requirements set forth in the grants that it has with the Council (Schedules 3, 4 and 5). GOEA also requires the Council to present a schedule of Units of Service (Schedule 6).

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of the Council's financial position. As of June 30, 2017, assets exceeded liabilities by \$2,354,836. A large portion of the Council's net position (49%) reflects its investment in capital assets (e.g. land; buildings; vehicles; equipment). Consequently, these assets are not available for future spending.

### **Condensed Statements of Net Assets**

	June 30,		Change
	2017	2016	
Current and other assets	\$ 1,241,557	\$ 1,235,345	\$ 6,212
Capital assets, net	1,154,381	1,221,994	(67,613)
Total assets	2,395,938	2,457,339	(61,401)
Current liabilities	30,362	19,919	\$ 10,443
Long-term liabilities	10,740	11,397	(657)
Total liabilities	41,102	31,316	9,786
Net Assets:			
Invested in capital assets	1,154,381	1,221,994	(67,613)
Restricted	664,804	664,855	(51)
Unrestricted	535,651	539,174	(3,523)
Total net assets	\$ 2,354,836	\$ 2,426,023	\$ (71,187)

Capital assets increased. One new vehicle was purchased with matching funds.

## Governmental Activities

Governmental activities decreased the Council's net position by (\$71,187). Key elements of this decrease are as follows:

### Condensed Changes in Net Assets

	For the year ended		Dollar Change	Total Percent Change
	June 30,			
	2017	2016		
<b>Revenues:</b>				
Program revenues:				
Charges for services	\$ 4,652	\$ 3,963	\$ 689	17.4%
Operating grants and contributions	415,058	415,195	(137)	0.0%
General revenues:				
Property taxes	698,270	859,643	(161,373)	-18.8%
Grants and contributions not restricted to specific programs	80,736	85,966	(5,230)	-6.1%
Unrestricted miscellaneous	8,770	28,543	(19,773)	-69.3%
Total revenues	1,207,486	1,393,310	(185,824)	-13.3%
<b>Expenses:</b>				
Health and welfare	1,278,673	1,307,269	(28,596)	-2.2%
Increase in net position	(71,187)	86,041	(157,228)	-182.7%
Net position beginning of year	2,426,023	2,339,982	86,041	3.7%
Net position end of year	\$ 2,354,836	\$ 2,426,023	\$ (71,187)	-2.9%

Millage decreases are due to decreases in property tax special assessments.

Intergovernmental unrestricted revenue also included "one-time" grants in the prior year.

## **FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

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

### **Governmental Funds**

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

As of the end of the current fiscal year, the Council's governmental funds reported combined ending fund balances of \$1,211,195 a decrease of (\$4,231) in comparison with the prior year. This fund balance is unreserved and available for spending at the Council's discretion.

The General Fund is the chief operating fund of the Council. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$546,391 (Exhibit C). As a measure of the General Fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. The fund balance of the Council's General Fund decreased by (\$4,180) during the current fiscal year (Exhibit E).

The Assumption Millage fund balance which holds and distributes parish property tax receipts given to the Council, had its fund balance increase of \$0. The total fund balance at the end of the year is \$655,673.

### **General Fund Budgetary Highlights**

The budget was amended once during the year. The primary reason for amending the budget was to prevent compliance violations under the Council's grants for GOEA due to unanticipated changes in revenue and expenditures.

## CAPITAL ASSETS

### Capital Assets

The Council's investment in capital assets for its governmental activities as of June 30, 2017, amounts to \$1,154,381 (net of accumulated depreciation). This investment in capital assets includes land; buildings; vehicles; and equipment (see table below).

	2017	2016
Land	\$ 68,000	\$ 68,000
Buildings & Improvements	1,333,161	1,333,161
Vehicles	407,703	401,807
Equipment & Furniture	56,667	56,667
Total Cost	\$ 1,865,531	\$ 1,859,635

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

- Purchase of one new vehicle with matching funds.

Additional information on the Council's capital assets can be found in Note 5, Exhibit G of this report.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The Council receives most of its funding from Federal and State agencies and local taxes. Because of this, the source of income for the Council is rather steady. However, some of the Council's grants and contracts are contingent upon the level of service provided by the Council, and therefore, revenues from grants may vary from year to year. There have been no significant changes to the funding levels or terms of the grants and contracts. The Governor's Office of Elderly Affairs (GOEA) has approved the Council's budget for fiscal year 2017-2018. There are no plans to add any significant programs for the next fiscal year.

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

- Consideration of funding to be received from GOEA.
- The Ad Valorem Tax revenue budgeted represents the estimated amount of the November 2017 assessment, which the Council will receive, for the most part, in January 2018.
- Salaries and benefits are based on the number of employees needed to perform necessary services and the related benefits.
- Travel rates.
- Services the Council will provide along with estimated service cost.
- Estimate of operating supplies needed to perform necessary services.
- Detail plan of equipment needed to be purchased.
- Detail plan of capital projects required to provide services.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Council's finances for all those with an interest in the Council's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Board of Directors of the Assumption Parish Council on Aging, Inc., P.O. Box 310 Napoleonville, Louisiana 70390.

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors,  
Assumption Parish Council on Aging, Inc.  
Napoleonville, Louisiana

### **Report on the Financial Statements**

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Assumption Parish Council on Aging, Napoleonville, Louisiana, (the Council) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or

error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinions**

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

### **Other Matters**

#### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 1 through 8) and budgetary comparison information (pages 43 through 47) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

## Other Supplementary Information

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

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

## Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, I have also issued my report dated December 29, 2017 on my consideration of the Council's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control over financial reporting and compliance.

Baton Rouge, Louisiana,  
December 29, 2017

  
Michael R. Choate & Company, CPAs

**FINANCIAL SECTION**

STATEMENT OF NET POSITION

## Assumption Parish Council on Aging, Inc.

June 30, 2017

<b>Assets</b>	
Cash	\$ 1,057,203
Investments	109,121
Contracts receivable	68,543
Prepaid expenditures	6,690
Capital assets:	
Non-depreciable Land	68,000
Depreciable, net of accumulated depreciation	<u>1,086,381</u>
Total assets	<u>\$ 2,395,938</u>
<b>Liabilities</b>	
Accounts payable	25,354
Payroll liabilities	5,008
Non-current liabilities:	
Accrued vacation pay	<u>10,740</u>
Total liabilities	<u>41,102</u>
<b>Net Position</b>	
Invested in capital assets	1,154,381
Restricted	664,804
Unrestricted	<u>535,651</u>
Total net position	<u>\$ 2,354,836</u>

See notes to financial statements.

STATEMENT OF ACTIVITIES

**Assumption Parish Council on Aging, Inc.**  
For the year ended June 30, 2017

Functions/Programs	Direct Expenses	Indirect Expenses	Program Revenues		Net (Expense) Revenue and Changes to Net Assets
			Charges for Services	Operating Grants and Contributions	
					Total Governmental Activities
Governmental activities:					
Health, welfare and social services:					
Supportive Services:					
Homemaker	\$ 423,747	\$ 53,566	\$ -	\$ 66,393	\$ -
Other services					
Information and Assistance					
Medical Alert					
Transportation for the Elderly/5311	86,390	77,420	4,652	196,649	37,491
Utility Assistance					-
Material Aid					
Wellness					
Recreation					
Nutrition Services:					
Congregate Meals	48,298	11,701		32,803	(27,196)
Home Delivered Meals	164,817	100,654		33,054	(232,417)
National Family Caregiver	7,382	1,288		1,875	(6,795)
Transportation to the general public/XIX	78,203	57,167		49,949	(85,421)
Administration	168,040				(168,040)
<b>Total governmental activities</b>	<b>\$ 976,877</b>	<b>\$ 301,796</b>	<b>\$ 4,652</b>	<b>\$ 380,723</b>	<b>\$ (893,298)</b>
General revenues:					
Property taxes					698,270
Grants and contributions not restricted to specific programs					114,763
Unrestricted miscellaneous					9,078
<b>Total general revenues</b>					<b>822,111</b>
<b>Change in net position</b>					<b>(71,187)</b>
Net position:					
Beginning of year					2,426,023
End of year					<b>\$ 2,354,836</b>

**FUND BALANCE SHEET**  
**GOVERNMENTAL FUNDS**

Assumption Parish Council on Aging, Inc.  
June 30, 2017

	General Fund	Assumption Millage Fund	Title III B Fund	Section 5311 Fund	Title XIX Governmental Funds	Non Major Governmental Funds	Total Governmental Funds
<b>Assets</b>							
Cash	\$ 458,067	\$ 655,673	\$ (14,502)	\$ (41,591)	\$ 2,973	\$ (3,417)	\$ 1,057,203
Investments	109,121	-	-	-	-	-	109,121
Contracts receivable	2,875	-	14,502	46,518	1,231	3,417	68,543
Prepaid expenses	6,690	-	-	-	-	-	6,690
Total assets	<u>\$ 576,753</u>	<u>\$ 655,673</u>	<u>\$ -</u>	<u>\$ 4,927</u>	<u>\$ 4,204</u>	<u>\$ -</u>	<u>\$ 1,241,557</u>
<b>Liabilities</b>							
Accounts payable and accrued expenditures	\$ 25,354	\$ -	\$ -	\$ -	\$ -	\$ -	25,354
Payroll liabilities	5,008	-	-	-	-	-	5,008
Total liabilities	<u>30,362</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,362</u>
<b>Fund Balances</b>							
Unassigned:							
General Fund	546,391	-	-	-	-	-	546,391
Restricted:							
Special Revenue Funds	-	655,673	-	4,927	4,204	-	664,804
Total fund balances	<u>546,391</u>	<u>655,673</u>	<u>-</u>	<u>4,927</u>	<u>4,204</u>	<u>-</u>	<u>1,211,195</u>
Total liabilities and fund balances	<u>\$ 576,753</u>	<u>\$ 655,673</u>	<u>\$ -</u>	<u>\$ 4,927</u>	<u>\$ 4,204</u>	<u>\$ -</u>	
Amounts reported for governmental activities in the statement of net assets are different because:							
Compensated absences are not paid for out of current financial resources and therefore are not reported funds							(10,740)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds							<u>1,154,381</u>
Net position of Government Activities							<u>\$ 2,354,836</u>

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**STATEMENT OF REVENUES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**

Assumption Parish Council on Aging, Inc.  
For the year ended June 30, 2017

	General Fund	Assumption Millage Fund	Title III B Supportive Services Fund	Section 5311 Fund	Title XIX Transportation Fund	Non Major Governmental Funds	Total Governmental Funds
<b>Revenues</b>							
Taxes-ad valorem	\$ -	\$ 698,270	\$ -	\$ -	\$ -	\$ -	\$ 698,270
Intergovernmental							
Federal Government							
Department of Transportation and Development	-	-	-	196,649	-	-	196,649
State of Louisiana							
Office of Elderly Affairs	37,500	-	-	-	-	44,939	82,439
Capital Area Agency on Aging	-	-	48,047	-	-	39,057	87,104
Department of Health and Hospitals	-	-	-	-	49,949	-	49,949
United Way of Louisiana	-	-	-	-	-	32,324	32,324
Charges for services:							
Medicaid fees	308	-	-	-	-	-	308
Public fares	-	-	-	-	-	-	-
Miscellaneous income	7,053	-	-	-	-	-	7,053
Interest income	-	-	-	-	-	-	-
Public support:							
Contributions	1,717	-	17,035	4,652	-	-	23,404
Special events and projects	-	-	-	-	-	-	-
Client contributions	-	-	-	-	-	28,675	28,675
Utility assistance	-	-	-	-	-	-	-
Non-cash inkind	-	-	1,311	-	-	-	1,311
<b>Total revenues</b>	<b>46,578</b>	<b>698,270</b>	<b>66,393</b>	<b>201,301</b>	<b>49,949</b>	<b>144,995</b>	<b>1,207,486</b>
<b>Expenditures</b>							
Current:							
Health and welfare:							
Salaries	496	-	359,651	109,353	83,906	174,746	728,152
Fringe	25,070	-	34,378	9,392	7,536	21,270	97,646
Travel	900	-	13,788	3	303	28,756	43,750
Operating services	41,767	-	32,189	29,802	25,833	5,118	134,709
Operating supplies	2,058	-	21,577	12,210	13,043	4,765	53,653
Other costs	21,900	-	12,356	1,163	2,803	1,273	39,495
Utility assistance	-	-	-	-	-	-	-
Meals	107,105	-	-	-	-	-	107,105
Capital outlay	-	-	2,063	1,887	1,946	-	5,896
Non-cash inkind	-	-	1,311	-	-	-	1,311
<b>Total expenditures</b>	<b>199,296</b>	<b>-</b>	<b>477,313</b>	<b>163,810</b>	<b>135,370</b>	<b>235,928</b>	<b>1,211,717</b>
Excess (deficiency) of revenues over expenditures	(152,718)	698,270	(410,920)	37,491	(85,421)	(90,933)	(4,231)
Other Financing Sources (Uses)							
Operating transfers in	204,762	-	410,920	-	85,421	168,196	869,299
Operating transfers out	(56,224)	(698,270)	-	(37,491)	-	(77,314)	(869,299)
<b>Total other financing sources (uses)</b>	<b>148,538</b>	<b>(698,270)</b>	<b>410,920</b>	<b>(37,491)</b>	<b>85,421</b>	<b>90,882</b>	<b>-</b>
Net Change in Fund Balances	(4,180)	-	-	-	-	(51)	(4,231)
<b>Fund Balances</b>							
Beginning of year	550,571	655,673	-	4,927	4,204	51	1,215,426
End of year	\$ 546,391	\$ 655,673	\$ -	\$ 4,927	\$ 4,204	\$ -	\$ 1,211,195

See notes to financial statements.

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

**Assumption Parish Council on Aging, Inc.**

For the year ended June 30, 2017

**Net Change in Fund Balances- Total Governmental Funds** \$ (4,231)

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

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:

Capital outlay	\$ 5,896	
Depreciation expense	<u>(73,509)</u>	(67,613)

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 the governmental funds.

Decrease in compensated absences	<u>657</u>
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<b>Change in Net Position of Governmental Activities</b>	<b><u><u>\$ (71,187)</u></u></b>
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**NOTES TO FINANCIAL STATEMENTS****Assumption Parish Council on Aging, Inc.**

June 30, 2017

**Note 1 - PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**a) Purpose of the Council on Aging**

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

**Note 1- PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

government serving the elderly; and to make recommendations relevant to the planning and delivery of services to the elderly of the Parish.

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

**b) Reporting Entity**

In 1964, the State of Louisiana passed Act 456 authorizing the charter of a voluntary council on aging for the welfare of the aging people in each parish of Louisiana. In 1979, the Louisiana Legislature created the Governor's Office of Elderly Affairs (GOEA) (LA R.S. 46:931) with the specific intention that GOEA administer and coordinate social services and programs for the elderly population of Louisiana through sixty-four parish voluntary councils on aging. However, before the Council on aging can begin operations in a specific parish, its application for a charter must receive approval from GOEA pursuant to LA R.S. 46:1602. The functions of each council on aging in Louisiana must comply with the objectives of state laws and are governed by policies and regulations established by GOEA.

The Assumption Council on Aging is a legally separate, non-profit, quasi-public corporation. A board of directors, consisting of 15 Voluntary members, who serve two year terms, governs the Council.

**Note 1- PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF  
SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**b) Reporting Entity (continued)**

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

Based on the criteria set forth in GASB Statement 14, the Assumption Parish Council on Aging is not a component unit of another primary government nor does it have any component units that are related to it. In addition, based on criteria set forth in GASB Codification Section 2100, the Council has presented its financial statements as a stand-alone government; accordingly it is applying the provisions of Statement 14 as if it were a primary government.

**c) Basis of Presentation**

The Council's basic financial statements consist of the government-wide statements on all activities of the Council and the governmental fund financial statements (individual major funds and combined non-major funds).

**Government-wide Financial Statements:**

The government-wide financial statements include the Statement of Net Assets and the Statement of Activities for all activities of the Council. As a general rule, the effect of interfund activity has been removed from these statements. The government-wide presentation focuses primarily on the sustainability of the Council as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Governmental activities generally are supported by taxes and intergovernmental revenues.

**Note 1- PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**c) Basis of Presentation (Continued)**

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The Council allocates its indirect costs among various functions and programs in accordance with Circular A-87. The Statement of Activities shows this allocation in a separate column labeled "indirect expenses." In addition, GOEA provides grant funds, included in operating grants and contributions to help the Council pay for a portion of its indirect costs. As a result, total governmental activities reported by function or program contains the indirect costs in excess of the GOEA funds. Program revenues include: (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues.

**Fund Financial Statements:**

The fund financial statements are very similar to the traditional government fund statements as presented by governments prior to the issuance of GASB Statement No. 34. Emphasis is now on the major funds in governmental categories. Non-major funds by category or fund type are summarized into a single column.

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

**Note 1- PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**c) Basis of Presentation (Continued)**

resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds of the Council are grouped into generic fund types and fund categories as follows:

Governmental activities presented as Governmental Funds in the Fund Financial Statements:

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

**Special Revenue Funds-** Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. A significant percentage of the Council's special revenue funds are provided by Capital Area Agency (CAAA). The Title III funds which the Council records as special revenue funds are provided by the United States Department of Health and Human Services-Administration on Aging to GOEA, which in turn "passes through" the funds to the Council via CAAA. GOEA also provides CAAA funds from other State grants which are passed through to the Council and also recorded as special revenue funds. The Assumption Millage Fund Title III B-Supportive Services Fund, Section 5311 Fund, and Title XIX Transportation Fund are reported as major funds.

The following programs comprise the Council's General Fund:

**Local-** The Council received revenues that are not required to be accounted for in a specific program. Accordingly, these revenues have been recorded in the local program of the General Fund. These funds

**Note 1- PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**c) Basis of Presentation (Continued)**

are unrestricted and may be used at the Council's discretion. Expenditures to acquire fixed assets, and expenditures for costs not allowed by another program due to budget limitations or the nature of the expenditures, are charged to the local program. Because of their unrestricted nature, local funds are often transferred to other programs to eliminate deficits in cases where the expenditures of the other programs exceeded their revenues.

**Act 735 Monies-** Monies are received from GOEA as stated in the Legislative Act 735. The Council may use these funds at its discretion in any program provided the program is benefiting people who are at least 60 years old. The money received in this fund during the year was transferred to the Title III B Fund to provide additional funds to pay for its program expenditures.

**Medicaid Programs –** The Council provides services for which it is paid a fee by application for people wanting to apply for Medicaid services and insurance for children. The Council is paid \$14 per application it completes.

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

**Assumption Millage Fund-** This fund is used to account for ad valorem taxes received from the taxpayers of Assumption Parish. The Council uses these funds to supplement the cost of the services it provides.

**Title III B Fund-** Monies are received from GOEA which are used to provide various units of supportive social services to the elderly. Specific supportive services provided during the fiscal year are information and

**Note 1- PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**c) Basis of Presentation (Continued)**

assistance, outreach, homemakers, recreation, transportation, material aid, utility assistance, telephone and medical alert. GOEA has established the criteria for defining a qualifying unit of service for each Title III program.

**Section 5311 Fund-** This fund was established to account for funds under the United States Department of Transportation's Public Transportation for Nonurbanized Areas-Section 5311 program. The Louisiana Department of Transportation and Development (DOTD) receives these funds for the State of Louisiana and passes them through to the Council via the Assumption Parish Police Jury. Funds earned and received by the Council are based upon actual operating

costs of providing transportation services to rural residents within Assumption Parish. Section 5311 funds are used as operating transfers to help pay for costs incurred in providing transportation services under the Council's various transportation programs.

**Title XIX- Transportation Fund-** This fund accounts for monies used to provide payments for medical services provided to (1) cash assistance recipients, (2) members of certain mandatory and optional groups who do not receive cash assistance, and (3) other medically needy people who qualify under program guidelines. Title XIX funds are provided by the United States Department of Health and Human Services as direct reimbursement for costs incurred by the Council.

**Title III C-1 Fund-Congregate Meals Fund-** Monies are received from GOEA and are used to provide nutritional, congregare meals to the elderly at meal sites located in Assumption Parish.

**Title III C-2 Fund-Home Delivered Meals Fund-** Monies are received from GOEA and are used to account for funds that are used to provide nutritional meals to homebound older persons.

**Note 1- PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF  
SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**c) Basis of Presentation (Continued)**

**Title III E Fund- National Family Caregiver Program Fund-** This fund is to account for funds relating to the National Family Caregiver Support program. This program is designed to provide multifaceted systems of support services for family caregivers and for grandparents or older individuals who are relative caregivers. It targets older low-income individuals. Specific types of services include: Information and Assistance and Public Education. Eligible participants include (1) adult family members or another adult person, who provides uncompensated in-home and community care to an older person who needs supportive services or (2) grandparents, or a person 60 years of age or older, who is related to a child by blood or marriage, and (3) has a legal relationship to the child or is raising the child informally.

**United Way Fund-** This fund is used to account for grants received from the United Way Houma Regional Arts and Humanities Council.

**Note 1- PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**c) Basis of Presentation (Continued)**

**Senior Center Fund-** This fund is used to account for the administration of Senior Center program funds appropriated by the Louisiana Legislature to GOEA, which in turn “passes through” to the Council. The purpose of this program is to provide a community service center at which elderly people can receive supportive social services and participate in activities which foster their independence, enhance their dignity and encourage their involvement in and with the community. The senior centers for Assumption Parish are located in Napoleonville and Pierre Part. Senior Center funds can be used at management’s discretion to support any of the Council’s programs that benefit the elderly. Accordingly, the Senior Center Fund then transferred all its grant revenue to the Title III B Fund to subsidize that program’s cost of providing supportive services to elderly persons who use the senior center.

**Supplemental Senior Center Fund-** Monies in this fund are received from GOEA. The Louisiana Legislature appropriated additional money for various councils on aging through Louisiana to be used to supplement each council’s primary state grant for senior center operations and activities. The Council was one of the councils to receive a supplemental grant. The money received by this fund during the year was transferred to the Title III B- Supportive Services Fund to supplement the supportive services provided by this fund.

**Note 1- PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**d) Measurement Focus and Basis of Accounting**

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

**Government-wide Financial Statements:**

The government-wide financial statements are reported using the economic resources measurements focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized in the fiscal year in which they are levied.

**Fund Financial Statements:**

All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets. Governmental funds are maintained on the modified accrual basis of accounting. Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government’s availability criteria (susceptible to accrual). Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. The Council’s definition of available means expected to be received within sixty days of the end of the fiscal year.

Expenditures are recognized in the accounting period in which the related fund liability is incurred, if measurable, except for the following:

**Note 1- PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

accumulated unpaid vacation and sick pay which is recorded as expenditures in the governmental fund type when paid with expendable available financial resources. Allocations of cost such as depreciation are not recognized in the governmental funds.

**e) Use of Estimates**

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

**f) Accounts Receivable**

The financial statements for the Council contain no allowance for bad debts. Uncollectible receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operations of the funds of the Council.

**g) Cash and Investments**

Cash includes amounts in demand deposits, interest bearing demand deposits and petty cash.

Investments are reported at fair value as established by open market. All investments are traded in a national or international exchange and are valued at the last reported sales price at current exchange rates. There are no investments without an established market. Unrealized gains and losses on investments recorded at fair value are included in investment income.

Note 1-

**PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF  
SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**h) Capital Assets**

The accounting treatment over property, plant and equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements.

Government-wide Financial Statements:

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets purchased or acquired with an original cost of \$1,000 or more are valued at historical cost or estimated historical cost if actual cost is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	25-40 years
Equipment	5-10 years
Vehicles	5 years

Fund Financial Statements:

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

**Note 1- PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF  
SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**i) Non-Current Liabilities**

The accounting treatment of non-current liabilities depends on whether they are reported in the government-wide or fund financial statements.

Government-wide Financial Statements:

All non-current liabilities to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term obligations consist of accumulated unpaid vacation.

Fund Financial Statements:

Non-current liabilities for governmental funds are not reported as liabilities in the fund financial statements.

**j) Accumulated Vacation, Compensatory Time and Sick Leave**

The Council's policies regarding vacation and sick leave permit employees to accumulate earned but unused vacation and sick leave. The liability for these compensated absences is recorded as a long-term obligation in the government-wide statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources.

**Note 1- PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF  
SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**j) Accumulated Vacation, Compensatory Time and Sick Leave  
(continued)**

Full-time employees of the Council shall be entitled to vacation and sick leave with pay after a six month probation period and shall accrue vacation time in the following manner:

First year through fifth year	Twelve days
Sixth year through fifteenth year	Fifteen days
Sixteenth year through twentieth year	Eighteen days
Twenty-first year or more	Twenty days

Part-time employees of the Council working more than twenty hours a week shall be entitled to vacation and sick leave with pay and shall accrue five days of vacation per year.

Accumulated vacation leave is due to the employee at the time of termination of employment if the employee worked twelve months or longer. Although sick leave accumulates and is available for employees when needed, it does not vest nor is it payable at termination of employment.

**k) Income Taxes**

Tax exempt status has been granted under Internal Revenue Code Section 501(c)(3).

**l) Interfund Transactions**

In the financial statements, interfund activity is reported as either loans or transfers. Loans between funds are reported as interfund receivables (due from) and payables (due to) as appropriate. Transfers represent a permanent reallocation of resources between funds. In other words, they are not expected to be paid. For reporting purposes, all interfund transactions between individual governmental funds have been eliminated in the government-wide financial statements.

**Note 1- PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF  
SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**m) Allocation of Indirect Expenses**

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

**n) Fund Equity**

Government-wide Statements:

Equity is classified as net position and displayed in three components:

- 1) Invested in capital assets- Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- 2) Restricted net position- Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- 3) Unrestricted net position- All other net assets that do not meet the definition of restricted" or "invested in capital assets."

**Note 1- PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**n) Fund Equity (continued)**

When both restricted and unrestricted resources are available for use, it is the Council's policy to use restricted resources first, then unrestricted resources as they are needed.

**Fund Financial Statements:**

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

**Note 2- PROPERTY TAXES**

The Council records receipts from the Parish for the 3.50 millage ad valorem tax as ad valorem tax revenue in the Assumption Millage Fund. The Police Jury acts as the collection agent for these taxes and remits the monies to the Council.

Property taxes are levied each November 15 on the assessed value listed as of the prior January 1 for all real property, merchandise, and movable property located in the Parish. Assessed values are established by the Assumption Parish Assessor's office and the State Tax Commission at percentages of actual value as specified by Louisiana law. A reevaluation is required to be completed no less than every four years. The last reevaluation was completed for the list of

**Note 2- PROPERTY TAXES (Continued)**

January 1, 2008. Taxes are due and payable December 31, with interest being charged on payments after January 1.

The tax rate for the year ended December 31, 2008 was \$3.50 per \$1,000 of assessed valuation on property for the purpose of operating and maintaining programs for the elderly and disabled persons of Assumption Parish. Ad valorem taxes are being recorded in the year which the taxes were remitted to the Council.

**Note 3- DEPOSITS AND INVESTMENTS**

Louisiana state law allows all political subdivision to invest excess funds in obligations of the United States or other federally insured investments, certificates of deposit of any bank domiciled or have a branch office in the State of Louisiana, guaranteed investments contracts and investment grade (A-1/P-1) commercial paper of domestic corporations.

**Bank Deposits:**

The Council is a quasi-governmental entity which is not required to comply with Louisiana laws relating to collateralization of cash and investments. The Council however, obtains collateralization for cash at financial institutions which is in excess of the FDIC insurance. Acceptable collateralization includes FDIC insurance and securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or with a trust company for the account of the political subdivision.

**Note 3- DEPOSITS AND INVESTMENTS (Continued)**

The year end balances of deposits are as follows:

	Bank Balances	Reported Amount
Cash	\$ 1,057,203	\$ 1,057,203
Certificates of deposit	109,121	109,121
Totals	\$ 1,166,324	\$ 1,166,324

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 has a written policy for custodial credit risk. As of June 30, 2017, \$916,324 of the Council's bank balance of \$1,166,324 was exposed to custodial credit risk. These deposits were uninsured and primarily collateralized with letters of credit from the Federal Home Loan Bank to the pledging financial institution, but not the Council.

At June 30, 2017, cash and certificates of deposits were adequately collateralized in accordance with state law. The Governmental Accounting Standards Board (GASB), which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities subject to custodial credit risk. Even though the deposits are considered subject to custodial credit risk under the provisions of GASB Statement No. 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to draw down upon the Letters of Credit within 10 days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

**Note 4- CONTRACTS RECEIVABLE**

Contracts receivable at June 30, 2017 consisted of reimbursements for expenditures incurred under the following programs:

Capital Area Agency on Aging	
Title III B Supportive Services	\$ 14,502
Title III C 2 Home Delivered Meals	-
Title III E National Family Caregiver Program	744
Title III C 1 Congregate Meals	2,035
Department of Transportation - 5311	46,518
Department of Health and Human Services	
Title XIX	1,231
Other-local	2,913
United Way	-
MIPPA	600
Total	\$ 68,543

**Note 5- BOARD OF DIRECTORS**

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

**Note 6- CHANGES IN CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2017 was as follows:

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
Capital assets not being depreciated:				
Land	\$ 68,000	\$ -	\$ -	\$ 68,000
Total capital assets not being depreciated	68,000	-	-	68,000
Capital assets being depreciated:				
Buildings	1,333,161	-	-	1,333,161
Vehicles	401,807	5,896	-	407,703
Equipment	56,667			56,667
Total capital assets being depreciated	1,791,635	5,896	-	1,797,531
Less accumulated depreciation for:				
Buildings	(232,462)	-	(45,222)	(277,684)
Vehicles	(365,459)		(21,061)	(386,520)
Equipment	(39,720)		(7,226)	(46,946)
Total accumulated depreciation	(637,641)	-	(73,509)	(711,150)
Total capital assets being depreciated, net	1,153,994	5,896	(73,509)	1,086,381
Total capital assets, net	\$ 1,221,994	\$ 5,896	\$ (73,509)	\$ 1,154,381

**Note 7- NON-CURRENT LIABILITIES**

Non-current liabilities consist of accumulated unpaid vacation. The following is a summary of the changes in long-term obligations of the Council for the year ended June 30, 2017:

Non-current liabilities, July 1, 2016	\$11,397
Net increase in unpaid vacation	<u>(657)</u>
Non-current liabilities, June 30, 2017	<u>\$ 10,740</u>

**Note 8- INTERFUND TRANSFERS**

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in the General Fund and certain Special Revenue Funds to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Operating transfers in and out are listed by fund for the year ended June 30, 2017.

**Exhibit G**  
(Continued)

	Operating Transfers	
	In	Out
General Fund		
Non Major Funds	\$ 8,093	\$ 15,366
Title III B-Supportive Services Fund	-	40,858
Assumption Millage	196,669	-
Total	<u>204,762</u>	<u>56,224</u>
Assumption Millage:		
Title III B-Supportive Services Fund	-	276,432
General Fund	-	196,669
Title XIX Transportation Fund	-	85,421
Non-Major Funds	-	139,748
Total	<u>-</u>	<u>698,270</u>
Title III B-Supportive Services Fund:		
Non Major Funds	56,139	
General Fund	40,858	-
Assumption Millage	276,432	-
Section 5311	37,491	-
Total	<u>410,920</u>	<u>-</u>
Section 5311		
Title III B-Supportive Services Fund	<u>-</u>	<u>37,491</u>
Title XIX Transportation Fund		
Assumption Millage	<u>85,421</u>	<u>-</u>
Total	<u>85,421</u>	<u>-</u>
Non-major Funds:		
Title III B	-	56,139
Assumption Millage	139,748	-
Non major funds	13,082	13,082
General	15,366	8,093
Total	<u>168,196</u>	<u>77,314</u>
Grand totals	<u>\$ 869,299</u>	<u>\$ 869,299</u>

**Note 9- RETIREMENT PLAN**

The Council offers its employees a means to defer compensation through a tax-sheltered SEP-IRA plan. The program is fully funded by the Council and there is no amount withheld from the employee. The Council may vary the percentage contribution of the employees' salaries that it makes to the SEP-IRA accounts, or not even make a contribution. However, the Council must use the same percentage for every employee. The contributions into the employee's account are 100% vested; therefore, if the employee leaves the Council, the IRA goes with him or her. All employees are eligible to participate in the plan as long as they are at least 21 year of age, have worked for the Council for at least three of the last five calendar years, and have earned at least \$375 in the year in which they became eligible. During the year the Council paid 5% of the employee's annual salary into each employee's SEP-IRA at a cost of \$25,683.

**Note 10- INCOME TAX STATUS**

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

On July 1, 2011, the Council adopted the provisions of the Accounting for Uncertainty in Income Taxes Topic of the FASB ASC, which clarifies the accounting and recognition for income tax positions taken or expected to be taken in the Council's income tax returns. Management evaluated the Council's tax position and concluded that the Council had taken no uncertain tax positions that required adjustments to the financial statements to comply with the provisions of this guidance. Assumption Council on Aging, Inc. is no longer subject to income tax examinations by the U.S. federal, state, or local tax authorities for tax years prior to July 1, 2013.

**Note 11- CONTINGENCIES**

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

**Note 12- SUBSEQUENT EVENTS**

Management evaluates events occurring subsequent to the date of financial statements in determining the accounting for and disclosure of transactions and events that effect the financial statements. Subsequent events have been evaluated through December 29, 2017, which is the date the financial statements were available to be issued. No additional disclosures were deemed necessary.

**GASB REQUIRED SUPPLEMENTARY INFORMATION SECTION**

**REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**

**Assumption Parish Council on Aging, Inc.**

For the year ended June 30, 2017

	Budgeted Amounts		ACTUAL	FAVORABLE (UNFAVORABLE) VARIANCE
	ORIGINAL	FINAL		
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ 37,500	\$ 37,500
Charges for services	3,200	540	308	(232)
Miscellaneous			7,053	7,053
Public support				-
Special events and projects			1,717	1,717
Non cash - in kind				-
<b>Total revenues</b>	<b>3,200</b>	<b>540</b>	<b>46,578</b>	<b>46,038</b>
<b>Expenditures</b>				
Current:				
Health and welfare:				
Salaries			496	(496)
Fringe	63,760	71,800	25,070	46,730
Travel	1,800	900	900	-
Operating Services	44,510	48,461	41,767	6,694
Operating Supplies			2,058	(2,058)
Other Costs	91,901	91,901	21,900	70,001
Meals	109,798	109,798	107,105	2,693
Expenditures - in kind				-
Capital Outlay	51,606	55,606		55,606
<b>Total expenditures</b>	<b>363,375</b>	<b>378,466</b>	<b>199,296</b>	<b>179,170</b>
Excess (deficiency) of Revenue over Expenditures	(360,175)	(377,926)	(152,718)	225,208
<b>Other Financing Sources (Uses)</b>				
Operating Transfers In	363,375	369,859	204,762	(165,097)
Operating Transfers Out	-	-	(56,224)	(56,224)
<b>Net Change in Fund Balance</b>	<b>\$ 3,200</b>	<b>\$ (8,067)</b>	<b>(4,180)</b>	<b>\$ 3,887</b>
<b>Fund Balance</b>				
Beginning of year			550,571	
End of year			<b>\$ 546,391</b>	

See note to required supplementary information.

**REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULE**  
**ASSUMPTION MILLAGE FUND**

**Assumption Parish Council on Aging, Inc.**

For the year ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>Revenues</b>				
Ad valorem taxes	\$ 875,064	\$ 700,627	\$ 698,270	\$ (2,357)
Miscellaneous income				-
<b>Other Financing Sources</b>				
Operating transfers in	-	-	-	-
Operating transfers out	(875,064)	(700,627)	(698,270)	2,357
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
<b>Fund Balance</b>				
Beginning of year			<u>655,673</u>	
End of year			<u><u>\$ 655,673</u></u>	

**REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULE**  
**TITLE III B - SUPPORTIVE SERVICES FUND**

**Assumption Parish Council on Aging, Inc.**

For the year ended June 30, 2017

	Budgeted Amounts		ACTUAL	FAVORABLE (UNFAVORABLE) VARIANCE
	ORIGINAL	FINAL		
<b>Revenues</b>				
Intergovernmental	\$ 39,145	\$ 39,145	\$ 48,047	\$ 8,902
Public Support	5,100	8,350	17,035	8,685
Non cash in kind	1,311	1,311	1,311	-
<b>Total Revenues</b>	<b>45,556</b>	<b>48,806</b>	<b>66,393</b>	<b>17,587</b>
<b>Expenditures</b>				
Current:				
Health and welfare:				
Salaries	383,043	374,516	359,651	14,865
Fringe	61,991	60,725	34,378	26,347
Travel	21,783	23,558	13,788	9,770
Operating Services	47,412	45,887	32,189	13,698
Operating Supplies	39,136	38,934	21,577	17,357
Other costs	14,322	13,131	12,356	775
Capital outlay	25,171	25,022	2,063	22,959
Non cash in kind	1,311	1,311	1,311	-
<b>Total Expenditures</b>	<b>594,169</b>	<b>583,084</b>	<b>477,313</b>	<b>105,771</b>
Excess (deficiency) of Revenue over Expenditures	(548,613)	(534,278)	(410,920)	123,358
<b>Other Financing Sources (Uses)</b>				
Operating transfers in	548,613	534,278	410,920	(123,358)
Operating transfers out	-	-	-	-
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULE**  
**5311 FUND**

**Assumption Parish Council on Aging, Inc.**

For the year ended June 30, 2017

	Budgeted Amounts		ACTUAL	FAVORABLE (UNFAVORABLE) VARIANCE
	ORIGINAL	FINAL		
<b>Revenues</b>				
Intergovernmental	\$ 121,273	\$ 132,273	\$ 196,649	\$ 64,376
Charges for services	4,000	4,000	4,652	652
<b>Total revenues</b>	<u>125,273</u>	<u>136,273</u>	<u>201,301</u>	<u>65,028</u>
<b>Expenditures</b>				
Current:				
Health and welfare:				
Salaries	124,579	129,949	109,353	20,596
Fringe	15,740	16,503	9,392	7,111
Travel	186	287	3	284
Operating Services	21,334	21,746	29,802	(8,056)
Operating Supplies	17,713	17,782	12,210	5,572
Other Costs	3,368	4,009	1,163	2,846
Capital Outlay	1,060	1,103	1,887	(784)
<b>Total expenditures</b>	<u>183,980</u>	<u>191,379</u>	<u>163,810</u>	<u>27,569</u>
Excess (deficiency) of Revenue over Expenditures	(58,707)	(55,106)	37,491	92,597
<b>Other Financing Sources (Uses)</b>				
Operating Transfers In	58,707	55,106	-	(55,106)
Operating Transfers Out	-	-	(37,491)	(37,491)
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>Fund Balance</b>				
Beginning of year			<u>4,927</u>	
End of year			<u>\$ 4,927</u>	

See note to required supplementary information.

**REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULE**  
**TITLE XIX TRANSPORTATION FUND**

**Assumption Parish Council on Aging, Inc.**

For the year ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>ACTUAL</u>	<u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>VARIANCE</u>
<b>Revenues</b>				
Intergovernmental	\$ 42,780	\$ 42,780	\$ 49,949	\$ 7,169
Contributions	-	-	-	-
Total revenue	<u>42,780</u>	<u>42,780</u>	<u>49,949</u>	<u>7,169</u>
<b>Expenditures</b>				
Current:				
Health and welfare:				
Salaries	131,796	134,973	83,906	51,067
Fringe	17,252	17,690	7,536	10,154
Travel	204	307	303	4
Operating Services	19,476	19,596	25,833	(6,237)
Operating Supplies	15,401	15,442	13,043	2,399
Other Costs	3,606	3,686	2,803	883
Capital Outlay	<u>1,161</u>	<u>1,177</u>	<u>1,946</u>	<u>(769)</u>
Total expenditures	<u>188,896</u>	<u>192,871</u>	<u>135,370</u>	<u>57,501</u>
Excess (deficiency) of Revenue over Expenditures	(146,116)	(150,091)	(85,421)	64,670
<b>Other Financing Sources (Uses)</b>				
Operating Transfers In	146,116	150,091	85,421	(64,670)
Operating Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>Fund Balance</b>				
Beginning of year			<u>4,204</u>	
End of year			<u>\$ 4,204</u>	

See note to required supplementary information.

**NOTE TO REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY REPORTING**

**Assumption Parish Council on Aging, Inc.**  
June 30, 2017

The Council adheres to the following procedures in establishing the budgetary data reflected in the financial statements.

- GOEA notifies the Council each year as to the funding levels for each program's award.
- The Council may also obtain funds from agencies other than GOEA and the Council considers the potential revenues to be earned under those grants.
- Projections are made of revenues from other sources based on past trends and data available to form expectations of future revenues.
- The Executive Director prepares a proposed budget based on the expected funding levels and then submits the budget to the Board of Directors for approval.
- The Board of Directors reviews and adopts the budget before May 31 of the current year for the next year.
- The adopted budget is forwarded to the GOEA for final approval.
- All budgetary appropriations lapse at the end of each fiscal year (June 30).
- Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments. There was one amendment during the year.
- Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control device.

**NOTE TO REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY REPORTING**  
**(Continued)**

**Assumption Parish Council on Aging, Inc.**  
June 30, 2017

- The Council may transfer funds between line items as often as required but must obtain prior approval from the GOEA for funds received under grants from this state agency. As a part of this grant award, GOEA requires the Council to amend its budget in cases where actual costs for a particular cost category exceeded the budgeted amount by more than 10%. Otherwise, the excess costs could be labeled as unauthorized expenditures.
- Expenditures cannot legally exceed appropriations on an individual fund level.
- The Council has established policies requiring public participation in the budget process.
- The budget for special revenue funds is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.
- Major funds, for which annual budgets are adopted, are included in the budget presentations in required supplementary information.

**SUPPLEMENTARY INFORMATION SECTION**

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

**Assumption Parish Council on Aging, Inc.**

For the year ended June 30, 2017

<b>Revenues</b>	Title III C-1 - Congregate Meals Fund	Title III C-2 - Home Delivered Meals Fund	Title III E - National Family Caregiver Program Fund	United Way	Utility Assistance Fund	Senior Center	Sup Senior Ctr	MIPPA	Total
<b>Intergovernmental:</b>									
State of Louisiana:									
Capital Area Agency on Aging	\$ 24,508	\$ 12,674	\$ 1,875	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,057
United Way of South Louisiana	-	-	-	32,324	-	-	-	-	32,324
Office of Elderly Affairs	-	-	-	-	-	32,827	10,912	1,200	44,939
<b>Public support:</b>									
Client contributions	8,295	20,380	-	-	-	-	-	-	28,675
Utility assistance	-	-	-	-	-	-	-	-	-
Non-cash inkind	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>32,803</b>	<b>33,054</b>	<b>1,875</b>	<b>32,324</b>	<b>-</b>	<b>32,827</b>	<b>10,912</b>	<b>1,200</b>	<b>144,995</b>
<b>Expenditures</b>									
<b>Current:</b>									
<b>Health and welfare:</b>									
Salaries	33,345	134,059	7,342	-	-	-	-	-	174,746
Fringe	3,034	17,086	1,150	-	-	-	-	-	21,270
Travel	1,436	27,142	178	-	-	-	-	-	28,756
Operating services	5,118	-	-	-	-	-	-	-	5,118
Operating supplies	1,126	3,639	-	-	-	-	-	-	4,765
Other costs	303	970	-	-	-	-	-	-	1,273
Capital outlay	-	-	-	-	-	-	-	-	-
Utility assistance	-	-	-	-	-	-	-	-	-
Non-cash inkind	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>44,362</b>	<b>182,896</b>	<b>8,670</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>235,928</b>
Excess (deficiency) of Revenue over Expenditures	(11,559)	(149,842)	(6,795)	32,324	-	32,827	10,912	1,200	(90,933)
<b>Other Financing Sources (Uses)</b>									
Operating Transfers In	11,559	149,842	6,795	-	-	-	-	-	168,196
Operating Transfers Out	-	-	-	(32,324)	(51)	(32,827)	(10,912)	(1,200)	(77,314)
<b>Total other financing sources (uses)</b>	<b>11,559</b>	<b>149,842</b>	<b>6,795</b>	<b>(32,324)</b>	<b>(51)</b>	<b>(32,827)</b>	<b>(10,912)</b>	<b>(1,200)</b>	<b>90,882</b>
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(51)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(51)</b>
<b>Fund Balance</b>									
Beginning of year	-	-	-	-	51	-	-	-	51
End of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**COMPARATIVE STATEMENT OF CAPITAL ASSETS**  
**AND CHANGE IN CAPITAL ASSETS**

**Assumption Parish Council on Aging, Inc.**

For the year ended June 30, 2017

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
<b>Capital Assets, at Cost:</b>				
Land	\$ 68,000	\$ -	\$ -	\$ 68,000
Buildings	1,333,161	-	-	1,333,161
Vehicles	401,807	5,896	-	407,703
Equipment & Furniture	56,667	-	-	56,667
<b>Total capital assets</b>	<b>\$ 1,859,635</b>	<b>\$ 5,896</b>	<b>\$ -</b>	<b>\$ 1,865,531</b>
<b>Investment in Capital Assets:</b>				
Property acquired with funds from -				
General and Other Funds	\$ 1,240,098	\$ -	\$ -	\$ 1,240,098
Section 5311	20,752	5,896	-	26,648
Title III B Supportive Services	104,209	-	-	104,209
Title III C-1 - Congregate Meal	1,215	-	-	1,215
Title III C-2 - Home Delivered Meals	2,722	-	-	2,722
Act 735 PCOA	19,861	-	-	19,861
Transportation (Indirect)	9,839	-	-	9,839
Millage/Police Jury	281,141	-	-	281,141
Transportation - ARRA -stimulus	77,947	-	-	77,947
Section 18	61,308	-	-	61,308
Title XIX	40,543	-	-	40,543
<b>Total Investment in capital assets</b>	<b>\$ 1,859,635</b>	<b>\$ 5,896</b>	<b>\$ -</b>	<b>\$ 1,865,531</b>

UNITS OF SERVICE**Assumption Parish Council on Aging, Inc.**

For the year ended June 30, 2017

(Unaudited)

	Units	
	2017	2016
<b>Title III B - Supportive Services Fund:</b>		
Information and Assistance	706	1,086
Outreach	100	113
Homemaker	15,327	15,574
Recreation	-	-
Transportation	10,829	10,913
Material Aid	-	-
Medical Alert	62	60
Telephone	777	500
Utility Assistance	-	-
<b>Title III C-1 - Congregate Meals Fund:</b>		
Congregate Meals	13,296	12,945
Nutrition Education	501	658
<b>Title III C-2 - Home Delivered Meals Fund:</b>		
Home Delivered Meals	52,457	51,378
Nutrition Education	-	-
<b>Title III E - National Family Caregiver Program Fund:</b>		
Information and Assistance	48	48

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

**Assumption Parish Council on Aging, Inc.  
Napoleonville, Louisiana  
For the year ended June 30, 2017**

**Executive Director's (Agency Head) Name: Angele Authement**

<b>Purpose</b>	<b>Amount</b>
Salary	\$ 47,120
Benefits-insurance (health and life)	
Benefits-retirement	
Benefits-Other (describe)	
Benefits-Other (describe)	
Benefits-Other (describe)	
Car allowance	
Vehicle provided by government (enter amount reported on W-2)	
Per diem	
Reimbursements	
Travel	
Registration fees	
Conference travel	
Housing	
Unvouchered expenses (example: travel advances, etc.)	
Special meals	
Other - Petty Cash Reimbursements	

**SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS**

**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**

2073 Hwy 170, Suite 230  
Mandeville, LA 70471  
P: 985.674.9092

To the Board of Directors,  
Assumption Parish Council on Aging, Inc.  
Napoleonville, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Assumption Parish Council on Aging, Napoleonville, Louisiana, (the Council) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements, and have issued my report thereon dated December 29, 2017.

### **Internal Control Over Financial Reporting**

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

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

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

#### **Compliance and Other Matters**

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

#### **Purpose of this Report**

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

Baton Rouge, Louisiana,  
December 29, 2017

  
Michael R. Choate & Company, CPAs

**SCHEDULE OF CURRENT YEAR FINDINGS AND RESPONSES**  
**ASSUMPTION PARISH COUNCIL ON AGING, INC.**  
**For the year ended June 30, 2017**

**Section I Internal Control and Compliance Material to the Basic Financial Statements**

Internal Control-

No material weaknesses for the year ended June 30, 2017.

No Significant Deficiencies for the year ended June 30, 2017.

Compliance-

No compliance findings material to the basic financial statements were noted during the audit for the year ended June 30, 2017.

**Section II Internal Control and Compliance Material to Federal Awards**

No Internal Control findings or significant deficiencies or material weaknesses for the year ended June 30, 2017.

Assumption Parish Council on Aging, Inc. did not expend federal awards in excess of \$500,000 during year ended June 30, 2017.

**Section III Management Letter**

A management letter was not issued in connection with the audit for the year ended June 30, 2017.

**SCHEDULE OF MANAGEMENT RESPONSE TO PRIOR YEAR  
FINDINGS  
ASSUMPTION PARISH COUNCIL ON AGING, INC  
FOR THE YEAR ENDED JUNE 30, 2017**

**Response to Findings for the Year June 30, 2017**

**There were no findings for the Year June 30, 2017.**

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

**For the year ended June 30, 2017**

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

**Independent Accountant’s Report on Applying Agreed-Upon Procedures**

Assumption Parish Council on Aging, Inc.  
Napoleonville, Louisiana, USA

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

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

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

The procedures and associated findings are as follows:

**Procedures:**

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

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

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

**Findings:**

1. The policies exist and are in writing.
2. The Council is in compliance with the policies.

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

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



Michael R. Choate & Company CPAs

December 29, 2017

## APPENDIX

# *Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures*

## *Introduction and General Comments*

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

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

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

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

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

## *Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures*

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

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

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

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

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

### *Written Policies and Procedures*

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1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
  - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget
  - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

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

### ***Board (or Finance Committee, if applicable)***

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

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### *Bank Reconciliations*

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3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.
4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:
  - a) Bank reconciliations have been prepared;
  - b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and
  - c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

### *Collections*

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5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.
6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* **For each cash collection location selected:**
  - a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.
  - b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.

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- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:
  - Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.
  - Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.
7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation) by a person who is not responsible for collections.

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

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8. Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort/filter for entity disbursements. Obtain management's representation that the listing or general ledger population is complete.
9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:
  - a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.
  - b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.
  - c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

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10. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.
11. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.
12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.
13. If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

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

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14. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
15. Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.  
  
Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:
  - a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]]
  - b) Report whether finance charges and/or late fees were assessed on the selected statements.
16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).

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

### *Travel and Expense Reimbursement*

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17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.
18. Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)) and report any amounts that exceed GSA rates.
19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:
  - a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.
  - b) Report whether each expense is supported by:

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- An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]
  - Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).
  - Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)
- c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.
- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

### *Contracts*

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20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.
21. Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:
- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.
  - b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:
    - If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)
    - If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.
  - c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.

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- d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.
- e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

### *Payroll and Personnel*

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- 22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:
  - a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.
  - b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.
- 23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:
  - a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
  - b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.
  - c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.
- 24. Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management.
- 25. Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the

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

### ***Ethics (excluding nonprofits)***

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

### ***Debt Service (excluding nonprofits)***

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

### ***Other***

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31. Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
32. Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at [www.lla.la.gov/hotline](http://www.lla.la.gov/hotline)) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.
33. If the practitioner observes or otherwise identifies any exceptions regarding management’s representations in the procedures above, report the nature of each exception.