

FINANCIAL REPORT

**POINTE COUPEE COUNCIL ON AGING, INC.
NEW ROADS, LOUISIANA**

June 30, 2019

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

FINANCIAL REPORT

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New Roads, Louisiana

June 30, 2019

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Pointe Coupee Council on Aging, Inc.

The Management's Discussion and Analysis of the Pointe Coupee 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, 2019. 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.

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

The Pointe Coupee Council on Aging, Inc. has been able to continue services at current levels and also expand the outside areas of transportation for needed medical appointments. Having substantial fund balances allows us to sustain the many needed services that this agency provides.

FINANCIAL HIGHLIGHTS

The Council's assets exceeded its liabilities at the close of fiscal year 2019 by \$1,286,740 (net position) which represents a \$(24,724) or 1.9% decrease from last fiscal year.

Cash and investments were \$1,180,743 at June 30, 2019 compared to \$1,187,637 at June 30, 2018. This is a \$(6,894) cash decrease.

The Council's revenue increased \$35,253 or 2.9% primarily due to a \$24,661 increase by Louisiana Dept. of Transportation 5311 program. Capital Area on Aging income increased \$7,383. Participant income increased \$5,325.

The Council's expenditures increased \$186,929. Salaries and fringe benefits increased \$131,882 (or 18.8%). Operating services and supplies increased \$26,421, other costs increased \$8,183. In Kind expenditures increased \$17,247.

As a result of subtracting total expenditures from total revenue, the Council's net position decreased by \$(24,724) this fiscal year.

SERVICE HIGHLIGHTS

Transportation

Transportation units of service to people age 60 or older were provided as follows:

III-B	<u>22,392</u>	Units of services
Last Year	<u>18,578</u>	Units of services

Meals

Meals served totaled 47,593 in 2019 vs 46,073 in 2018. Home delivered meals are based on 365 serving days a year. Congregate meals are based on 260 serving days a year.

<u>Home Delivered Meals 24,908</u>	<u>Congregate Meals 22,685</u>
Meals – / Last Year – 24,542	Meals – / Last Year – 21,531

OVERVIEW OF FINANCIAL STATEMENTS

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

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

Government-wide Financial Statements

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

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

Fund Financial Statements

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

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. (Exhibit D and E) The Council has presented the General Fund, Title III B – Supportive Services Fund, Title III C-1- Congregate Meals Fund, and Health District Fund as major funds. (Exhibit C & D) All non-major governmental funds are presented in one column, titled “Total Non-Major Funds”. Combining financial statements of the non-major funds can be found in the Combining Fund Statements that follow the basic financial statements (Page 35).

Notes to the Financial Statements

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

Other Information

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of the Council's financial position. As of June 30, 2019, assets exceeded liabilities by \$1,286,740. A large portion of the Council's net position (92%) reflects its cash and investment in certificates of deposit. The Council has strong liquidity.

Special Revenue Fund Budgetary Highlights

The budget was not amended during the year. The primary reasons for amending the budget are to prevent compliance violations under the Council's grants for GOEA due to unanticipated changes in revenue and expenditures. There were no major differences between the original Special Revenue Fund budget and the anticipated results.

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

CAPITAL ASSETS

The Council's investment in capital assets for its governmental activities as of June 30, 2019, amounts to \$1,092 (net of accumulated depreciation). This investment in capital assets includes office furniture, fixtures, vehicles, machinery and equipment (see table below).

	<u>2019</u>	<u>2018</u>
Office furniture, fixtures and equipment	\$ 38,148	\$ 38,148
Building Improvements	-	-
Vehicles	<u>13,947</u>	<u>13,947</u>
Sub Total	52,095	52,095
Less accumulated depreciation	<u>(51,003)</u>	<u>(48,819)</u>
Capital Assets, Net	<u>\$ 1,092</u>	<u>\$ 3,276</u>

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

- None

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Council receives most of its funding from federal and state agencies and local taxes. Because of this, the source of income for the Council is rather steady. However, some of the Council's grants and contracts are contingent upon the level of service provided by the Council, and therefore, revenues may vary from year to year. There have been no significant changes to the funding levels or terms of the grants and contracts. The Governor's Office of Elderly Affairs (GOEA) has approved the Council's budget for fiscal year 2019-2020. There are no plans to add or delete any significant programs for next fiscal year.

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

- Actual expenditures from previous fiscal year in relation to expected needs in the current year.
- Consideration of funding to be received from GOEA.
- Interest revenues have been budgeted with anticipation of no increase in interest rates.
- Salaries and benefits are based on the number of employees needed to perform necessary services and the related benefits.
- Travel rates in accordance with state Travel regulations.
- Services the Council will provide along with estimated service costs.
- Estimate of operation supplies needed to perform necessary services.
- Detail plan of equipment and vehicles needed to be purchased.

Condensed Statement of Net Position

	June 30,		Dollar
	2019	2018	Change
Current and other assets	\$ 1,326,245	\$ 1,355,291	\$ (29,046)
Capital assets	1,092	3,276	(2,184)
Total assets	<u>\$ 1,327,337</u>	<u>\$ 1,358,567</u>	<u>\$ (31,230)</u>
Short-term liabilities outstanding	13,333	21,704	(8,371)
Other liabilities	27,264	25,399	1,865
Total liabilities	<u>40,597</u>	<u>47,103</u>	<u>(6,506)</u>
Net Assets:			
Invested in capital assets, net	1,092	3,276	(2,184)
Restricted	54,672	55,428	(756)
Unrestricted	1,230,976	1,252,760	(21,784)
Total net position	<u>\$ 1,286,740</u>	<u>\$ 1,311,464</u>	<u>\$ (24,724)</u>

Governmental Activities

Governmental activities decreased the Council net position by \$(24,724). Key elements of this increase are as follows:

Condensed Changes in Net Position

	June 30,		Dollar	Total
	2019	2018	Change	Percent Change
Revenues:				
Program revenues:				
Charges for services	\$ -	\$ -	\$ -	
Operating grants and contributions	840,369	740,869	99,500	13.43%
General revenues:				
Sales Tax- Health Service District	282,000	282,000	-	0.00%
Grants and contributions not restricted	98,025	169,554	(71,529)	-42.19%
Unrestricted investment earnings	125	125	-	0.00%
Miscellaneous	9,029	1,747	7,282	416.83%
Total revenues	<u>1,229,548</u>	<u>1,194,295</u>	<u>35,253</u>	<u>2.95%</u>
Expenditures:				
Health and welfare	1,254,272	1,069,388	184,884	17.29%
Total expenditures	<u>1,254,272</u>	<u>1,069,388</u>	<u>184,884</u>	
Increase (decrease) in net position	(24,724)	124,907	(149,631)	
Net position beginning of year	1,311,464	1,186,557	124,907	
Net position end of year	<u>\$ 1,286,740</u>	<u>\$ 1,311,464</u>	<u>\$ (24,724)</u>	<u>-1.89%</u>

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

The focus of the Council's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Council's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the Council's governmental funds reported combined ending fund balances of \$1,312,912 a decrease of \$(20,675) in comparison with the prior year. An unassigned fund balance of \$1,193,253 is available for spending at the Council's discretion. The remainder of fund balance is restricted to indicate that it is not available for new spending because it has already been committed. This is reflected on Page 16.

The General Fund is the chief operating fund of the Council. At the end of the current fiscal year, unassigned fund balance of the general fund was \$1,193,253 while total fund balance reached \$1,258,240 (Page 17). As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balances and total fund expenditures. The fund balance of the Council's General Fund decreased by \$(19,919) during the current fiscal year. (Page 17)

Other major Special Revenue funds, including Title III B – Supportive Services Fund and Title III C-1 Congregate Meals, and Parish Health District had no change in fund balances. These funds are reimbursed by federal and state grants. Any expenditures that are not covered by the grants are covered by transfers from the General Fund.

REQUEST FOR INFORMATION

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

Board of Directors
C/O Becky Bergeron, Executive Director
Pointe Coupee Council on Aging, Inc.
P.O. Box 412
New Roads, Louisiana.70346
Phone (225) 473-3789

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors,
Pointe Coupee Council on Aging
New Roads, 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 Pointe Coupee Council on Aging, New Roads, Louisiana, (the Council) as of and for the year ended June 30, 2019, 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, 2019, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 1 through 9) and budgetary comparison information (pages 30 through 33) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Council's basic financial statements. The accompanying Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance – 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 supplemental schedule of Compensation, Benefits and Other Payments Made to the Council's Executive Director for the fiscal year. These schedules are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and is also not a required part of the financial statements.

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

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, I have also issued my report dated November 13, 2019 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,
November 13, 2019


Michael R. Choate & Company, CPAs

GOVERNMENT WIDE FINANCIAL STATEMENTS

GOVERNMENT WIDE STATEMENT OF NET POSITION

POINTE COUPEE COUNCIL ON AGING, INC.
NEW ROADS, LOUISIANA

June 30, 2019

	Governmental Activities
Assets	
Cash	\$ 929,912
Investments	250,831
Grants and contracts receivable	80,515
Prepaid insurance	14,356
Prepaid van lease	50,631
Capital assets, net of accumulated depreciation	<u>1,092</u>
Total Assets	<u><u>\$ 1,327,337</u></u>
Liabilities	
Accounts payable	\$ 3,623
Payroll taxes payable	9,710
Accrued compensated absences	<u>27,264</u>
Total Liabilities	<u>40,597</u>
Net Position	
Invested in Capital Assets	1,092
Restricted for:	
Utility Assistance	26,697
Special Projects	23,908
FEMA	4,067
Unrestricted	<u>1,230,976</u>
Total Net Position	<u><u>\$ 1,286,740</u></u>

The accompanying notes are an integral part of this statement.

GOVERNMENT WIDE STATEMENT OF ACTIVITIES
POINTE COUPEE COUNCIL ON AGING, INC.
NEW ROADS, LOUISIANA

For the year ended June 30, 2019

Functions / Programs	Program Revenues					Net (Expense) Revenue and Increases (Decreases) in Net Assets
	Direct Expenses	Indirect Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Governmental Activities						
Health, Welfare & Social Services						
Supportive Services:	118,046	43,503	\$ -	\$ 73,241	\$ -	(88,308)
Personal Care	-	-	-	-	-	-
Other Services	-	-	-	-	-	-
Homemaker	-	-	-	-	-	-
Information and Assistance	-	-	-	-	-	-
Legal Assistance	-	-	-	-	-	-
Outreach	-	-	-	-	-	-
Transportation	276,517	92,930	-	286,891	-	(82,556)
Nutrition Services:	-	-	-	-	-	-
Congregate Meals	129,590	31,083	-	108,785	-	(51,888)
Home Delivered Meals	48,409	19,454	-	24,384	-	(43,479)
Medicaid Transportation	273,218	91,823	-	283,468	-	(81,573)
Utility Assistance	2,012	-	-	3,834	-	1,822
Meals	44,548	-	-	7,452	-	(37,096)
National Family Caregiver Support	3,306	1,260	-	2,797	-	(1,769)
Multipurpose Senior Centers	14,476	-	-	43,655	-	29,179
Administration	-	64,097	-	2,400	-	(61,697)
Total governmental activities	\$ 910,122	344,150	\$ -	\$ 836,907	\$ -	\$ (417,365)
General Revenues:						
Sales tax allocation - Health District						282,000
Grants and contributions not restricted to specific programs						105,321
Unrestricted Investment Income						125
Miscellaneous						5,195
Total general revenues						392,641
Increase in net assets						(24,724)
Net position - beginning of the year						1,311,464
Net position - end of the year						\$ 1,286,740

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

Balance Sheet
Governmental Funds
Pointe Coupee Council on Aging, Inc.
New Roads, LA

June 30, 2019

	General Fund	Title III B	Title III C-1	Parish Health District	Total Non Major Funds	Total Governmental Funds
Assets						
Cash	\$ 918,566	\$ (12,868)	\$ (4,700)	\$ (23,500)	\$ 52,414	929,912
Investments	250,831	-	-	-	-	250,831
Grants and Contracts Receivable	37,189	12,868	4,700	23,500	2,258	80,515
Prepaid Van Lease	50,631	-	-	-	-	50,631
Prepaid Insurance	14,356	-	-	-	-	14,356
Total Assets	\$ 1,271,573	\$ -	\$ -	\$ -	\$ 54,672	\$ 1,326,245
Liabilities and Fund Balance						
Liabilities						
Accounts Payable	3,623	-	-	-	-	3,623
Payroll taxes payable	9,710	-	-	-	-	9,710
Total Liabilities	13,333	-	-	-	-	13,333
Fund Balances						
Non spendable:						
Prepaid Expenditures	64,987	-	-	-	-	64,987
Restricted For:						
Special Projects	-	-	-	-	23,908	23,908
FEMA	-	-	-	-	4,067	4,067
Utility Assistance	-	-	-	-	26,697	26,697
Unassigned	1,193,253	-	-	-	-	1,193,253
Total Fund Balances	1,258,240	-	-	-	54,672	1,312,912
Total Liabilities and Fund Balances	\$ 1,271,573	\$ -	\$ -	\$ -	\$ 54,672	

Amounts reported only for governmental activities in the statement of net assets:

Compensated absences not paid from current financial resources. (27,264)

Capital assets used in governmental activities are not financial resources. 1,092

Net position of Governmental Activities
The accompanying notes are an integral part of this statement.

\$ 1,286,740

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Pointe Coupee Council on Aging, Inc.
New Roads, LA

For the Year Ended June 30, 2019

	General Fund	Title III B	Title III C-I	Parish Health District	Total Non-Major Funds	Total Governmental Funds
REVENUES						
Intergovernmental						
Capital Area Agency on Aging	\$ -	\$ 58,206	\$ 33,979	\$ -	\$ 19,302	\$ 111,487
Governor's Office of Elderly Affairs	40,600	-	-	-	43,655	84,255
Governor's Office of Elderly Affairs-MIPPA	2,400	-	-	-	-	2,400
Department of Health & Hospitals	283,468	-	-	-	-	283,468
Department of Transportation - 5311	264,250	-	-	-	-	264,250
Pointe Coupee Health District	-	-	-	282,000	-	282,000
Pointe Coupee Police Jury	-	-	-	-	7,051	7,051
Emergency Shelter Board	-	-	-	-	7,452	7,452
Public Support						
Contributions-other restricted	-	-	-	-	20,724	20,724
Participant Contributions	22,641	9,322	22,918	-	11,774	66,655
Investment Income	125	-	-	-	-	125
Miscellaneous	5,195	-	-	-	3,834	9,029
Inkind Contributions	30,227	5,713	51,888	-	2,824	90,652
Total Revenues	648,906	73,241	108,785	282,000	116,616	1,229,548
EXPENDITURES						
Health, Welfare, & Social Services						
Current:						
Personnel	406,315	100,197	87,242	-	48,647	642,401
Fringe	129,066	34,077	14,297	-	11,910	189,350
Travel	1,895	2,655	1,068	-	250	5,868
Operating Services	76,685	13,366	4,456	-	16,970	111,477
Operating Supplies	105,149	1,480	457	-	5,122	112,208
Other Costs	35,570	4,061	1,265	-	10,811	51,707
Meals	-	-	-	-	44,548	44,548
Utility Assistance	-	-	-	-	2,012	2,012
Capital Outlay	-	-	-	-	-	-
Inkind	30,227	5,713	51,888	-	2,824	90,652
Total Expenditures	784,907	161,549	160,673	-	143,094	1,250,223
Excess (deficiency) of Revenues over Expenditures	(136,001)	(88,308)	(51,888)	282,000	(26,478)	(20,675)
OTHER FINANCING SOURCES (USES)						
Transfers In	170,340	113,301	51,888	-	82,344	417,873
Transfers Out	(54,258)	(24,993)	-	(282,000)	(56,622)	(417,873)
Total other Financing Sources and Uses	116,082	88,308	51,888	(282,000)	25,722	-
Net Increase (Decrease) in Fund Balances	(19,919)	-	-	-	(756)	(20,675)
FUND BALANCES						
Beginning of the Year	1,278,159	-	-	-	55,428	1,333,587
End of the Year	\$ 1,258,240	\$ -	\$ -	\$ -	\$ 54,672	\$ 1,312,912

The accompanying notes are an integral part of this statement.

Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental
Funds to the Statement of Activities
Pointe Coupee Council on Aging, Inc.
New Roads, Louisiana

Year Ended June 30, 2019

Net Decrease in fund balances – total governmental funds	\$ (20,675)
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Governmental funds report capital outlays as expenditures. However, in the **Statement of Activities** the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$0) is less than depreciation expense (\$2,184)

	(2,184)
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Some expenses reported in the **Statement of Activities** do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:

Compensated absences	<u>(1,865)</u>
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Decrease of net position of governmental activities	<u><u>\$ (24,724)</u></u>
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NOTES TO FINANCIAL STATEMENTS

Pointe Coupee Council on Aging, Inc.
New Roads, Louisiana

June 30, 2019

Note 1 - Summary Of Significant Accounting Policies

A. Statement of Presentation:

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

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

Pointe Coupee Council on Aging (the Council) is a non-profit, quasi-public corporation. The Council received its charter from the Governor of the State of Louisiana on January 31, 1974, and began operations June 24, 1975, the date in which it filed its articles of incorporation with the Secretary of State's office.

B. Fund Accounting:

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

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

Governmental Fund Types

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

Note 1 - Summary Of Significant Accounting Policies (continued)

Governmental Fund (continued):

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

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

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

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

Major Special Revenue Funds

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

Title III-B Supportive Services Fund

The Title III-B Supportive Services Fund is used to account for funds which are to provide a variety of social services; such as, transportation (22,392), information and assistance (752), homemaker services (2,649), telephoning (2,483), and outreach (158) for people age 60 and older. Total units of service were 30,174.

Title III C-1 Fund

The Title III C-1 Fund is used to account for funds which are used to provide nutritional, congregate meals to the elderly in strategically located centers. The Council served 22,685 meals this year.

Parish/Health District Fund

The Parish/Health District Fund accounts for funds provided by the Pointe Coupee Parish Police Jury and Pointe Coupee Health Service District No. 1 for elderly transportation, recreation and meals to the home bound. The Parish Health Service District sent \$282,000 to the Council during the fiscal year.

Non Major Special Revenue Funds

Title III C-2 Home Delivered Meals Fund

Title III C-2 Fund is used to account for funds which are used to provide nutritional, home delivered meals to homebound older persons. The Council delivered 24,908 meals this year.

Senior Center Fund

The Senior Center Fund is used to account for the administration of Senior Center program funds appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council. This program provides community service centers at which older persons receive supportive services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community.

Title III-E Fund

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

Utility Assistance Fund

The Utility Assistance Fund is used to account for the administration of programs that are sponsored by local utility companies. The companies collect contributions from service customers and employees and remit the funds directly to Capital Area Agency on Aging (CAAA), which in turn remits funds relating to Pointe Coupee Parish to the Council. These funds are used to provide financial assistance to the elderly for the payment of their utility bills.

Special Projects Fund

The Special Projects Fund is used to account for funds provided by the Pointe Coupee Parish Police Jury and donations for recreational activities, utility assistance and other projects.

United Way Fund

The United Way Fund is used to account for funds received from the Capital Area United Way to be used for Title III B personal care.

Adopt-An-Elderly Fund

The Adopt-An-Elderly Fund is used to account for funds provided by donations restricted to provide meals to the elderly of Pointe Coupee Parish.

FEMA Fund

The FEMA Fund is used to account for funds provided by the Emergency Shelter and Food Program.

General Funds

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

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

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

Transportation Program Services – Nonelderly – The Council provides various transportation services to the residents of Pointe Coupee Parish who are not 60 years old for a fee. The fee ranges from \$5.00 to \$8.00 per one-way trip and is based on whether the trip is in the parish or out of the parish. These program service fees and their related cost are accounted for within the "Nonelderly Transportation" program of the General Fund. In contrast, transportation services provided to residents who are at least 60 years old are accounted for in the "Elderly Transportation" program of the Title III B Fund.

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

Capital Assets

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

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

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

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

C. Transfers:

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

D. Budget Policy:

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

E. Compensated Absences:

For government wide financial statements, the Council's liability for accumulated unpaid vacation has been recorded. The liability has been determined using the number of vested vacation hours for each employee multiplied by the employee's current wage rate at the end of the year. Accrued vacation benefits will be paid from future years' resources and will be recorded as fund expenditures in the various governmental funds in the year in which they are paid or become due on demand to terminated employees. The Council's sick leave policy does not provide for the vesting of sick leave where payment would have to be made to a terminated employee for any unused portion.

F. Management's Use of Estimates:

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

G. Revenue Recognition

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

Note 2 - Board of Director's Compensation

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

Note 3 - In Kind Financial Assistance

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

The total for the year June 30, 2019 was \$90,652.

Note 4 - Economic Dependency

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

Note 5 - Income Tax Status

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

Income Tax Status - Pointe Coupee Council on Aging, Inc. is a tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as an organization other than a private foundation. The Council, therefore, is not subject to income taxes. However, income from activities not directly related to the Council's tax-exempt purpose is subject to taxation as unrelated business income. The Council had no such income for the year ended June 30, 2019.

On June 30, 2013, the Council adopted the provisions of the Accounting for Uncertainty in Income Taxes Topic of the FASB ASC, which clarifies the accounting and recognition for income tax positions taken or expected to be taken in the Council's income tax returns. Management evaluated the Council's tax positions and concluded that the Council had taken no uncertain tax positions that required adjustments to the financial statements to comply with the provisions of this guidance. Pointe Coupee Council on Aging, Inc. is no longer subject to income tax examinations by the U.S. federal, state, or local tax authorities for tax years prior to June 30, 2016.

Note 6 - Subsequent Events

Management has evaluated subsequent events through November 13, 2019, the date the financial statements were available to be issued. There were no events that required disclosure or adjustments to the financial statements.

Note 7 - General Fixed Assets

The changes in fixed assets are as follows:

	Balance 6/30/2018	Additions	Deletions	Balance 6/30/2019
Furniture & Equipment	\$ 38,148	\$ -	\$ -	38,148
Building Improvements	-	-	-	-
Vehicles	13,947		-	13,947
	<u>\$ 52,095</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 52,095</u>

Note 8 - Deposits With Financial Institutions

At June 30, 2018, the Council had bank balances totaling \$1,180,743. Bank balances totaling \$250,000 are insured by federal deposit insurance while deposits of \$930,743 are collateralized by securities held by the depository bank in the Council's name. This is considered a "Category 1" credit risk in accordance with GASB Statement 3.

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

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

Note 9 - Grants & Accounts Receivable

Accounts receivable at June 30, 2019 included the following funds:

<u>Special Revenue</u>		
Title III B	\$	12,868
Title III C-1		4,700
United Way		414
Title III E		150
Health District		23,500
Title III C-2		1,694
 <u>General Fund</u>		
Total	\$	<u>80,515</u>

Note 10 – Transfers

<u>SPECIAL REVENUE FUNDS</u>	<u>Transfers Out</u>	<u>Transfers In</u>
Title III B		
General fund		\$ 37,500
General fund - Transportation	\$ 24,993	-
United way	-	6,719
Parish Health District	-	69,082
Title C-1		
Senior Center	-	29,179
Parish Health District	-	19,609
General fund	-	3,100
Title C-2		
Adopt an Elderly	-	20,724
Parish Health District	-	22,755
Senior Center		
General fund	-	-
C-1	29,179	-
United Way		
Title IIIB	6,719	-
Adopt an Elderly		
Title C-2	20,724	-
Meals fund		
Parish Health District	-	37,096
Parish Health District		
Title IIIB	69,082	-
Title C-1	19,609	-
Title C-2	22,755	-
Meals fund	37,096	-
General fund	131,689	-
FEMA	-	-
Title III E	1,769	-
Title III E		
Parish Health District	-	1,769
<u>GENERAL FUND</u>		
Title III B - Transportation		24,993
Title III B	37,500	-
Parish Health District	-	131,689
General Fund	13,658	13,658
Title C-1	3,100	-
Total	<u>\$ 417,873</u>	<u>\$ 417,873</u>

SUPPLEMENTARY FINANCIAL INFORMATION

Required by GASB 34

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

**POINTE COUPEE COUNCIL ON AGING, INC.
NEW ROADS, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2019**

<u>REVENUES</u>	<u>BUDGETS</u>		<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Intergovernmental:				
Capital Area Agency on Aging, Inc.	\$ 24,993	\$ 24,993	\$ -	(24,993)
Governor's Office of Elderly Affairs	40,600	40,600	40,600	-
Governor's Office of Elderly Affairs - MIPPA	2,400	2,400	2,400	-
Department of Health & Hospitals	245,000	245,000	283,468	38,468
Department of Transportation	244,250	244,250	264,250	20,000
Pointe Coupee Health District	-	-	-	-
Other:				
Miscellaneous	-	-	5,195	5,195
Contributions - other	-	-	-	-
Contributions - participants	20,000	20,000	22,641	2,641
Investment Income	-	-	125	125
Contributions in Kind	30,227	30,227	30,227	-
Total Revenues	607,470	607,470	648,906	41,436
<u>EXPENDITURES</u>				
Current:				
Expenditures in Kind	30,227	30,227	30,227	-
Personnel	377,700	377,700	406,315	(28,615)
Fringe	116,370	116,370	129,066	(12,696)
Travel	1,800	1,800	1,895	(95)
Operating services	66,424	66,424	76,685	(10,261)
Operating supplies	77,785	77,785	105,149	(27,364)
Meals	-	-	-	-
Travel	-	-	-	-
Capital outlay	-	-	-	-
Utility assistance	-	-	-	-
Other	11,476	11,476	35,570	(24,094)
Total Expenditures	681,782	681,782	784,907	(103,125)
Excess of Revenues over (under) Expenditures	(74,312)	(74,312)	(136,001)	(61,689)
<u>OTHER FINANCING SOURCES</u>				
<u>USES</u>				
Operating transfers in	117,312	117,312	170,340	53,028
Operating transfers out	(43,000)	(43,000)	(54,258)	(11,258)
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ -	\$ -	\$ (19,919)	\$ (19,919)

**SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL REVENUE FUND - TITLE III-B**

**POINTE COUPEE COUNCIL ON AGING, INC.
NEW ROADS, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2019**

	BUDGETS		ACTUAL	FAVORABLE (UNFAVORABLE) VARIANCE
<u>REVENUES</u>	<u>ORIGINAL</u>	<u>FINAL</u>		
Intergovernmental:				
Capital Area Agency on Aging, Inc.	\$ 58,206	\$ 58,206	\$ 58,206	\$ -
Governor's Office of Elderly Affairs	-	-	-	-
Other:				
Miscellaneous	-	-	-	-
Contributions	7,000	7,000	9,322	2,322
Contributions in Kind	5,713	5,713	5,713	-
Total Revenues	<u>70,919</u>	<u>70,919</u>	<u>73,241</u>	<u>2,322</u>
<u>EXPENDITURES</u>				
Current:				
Expenditures in Kind	5,713	5,713	5,713	-
Personnel	96,334	96,334	100,197	(3,863)
Fringe	30,754	30,754	34,077	(3,323)
Travel	12,013	12,013	2,655	9,358
Operating services	2,860	2,860	13,366	(10,506)
Operating supplies	1,333	1,333	1,480	(147)
Meals	-	-	-	-
Capital outlay	-	-	-	-
Utility assistance	-	-	-	-
Other	3,240	3,240	4,061	(821)
Total Expenditures	<u>152,247</u>	<u>152,247</u>	<u>161,549</u>	<u>(9,302)</u>
Excess of Revenues over (under) Expenditures	(81,328)	(81,328)	(88,308)	(6,980)
<u>OTHER FINANCING SOURCES</u>				
<u>USES</u>				
Operating transfers in	106,321	106,321	113,301	6,980
Operating transfers out	(24,993)	(24,993)	(24,993)	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL REVENUE FUND - TITLE III C-1**

**POINTE COUPEE COUNCIL ON AGING, INC.
NEW ROADS, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2019**

<u>REVENUES</u>	<u>BUDGETS</u>		<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Intergovernmental:				
Capital Area Agency on Aging, Inc.	33,979	33,979	33,979	-
State of Louisiana	-	-	-	-
Other:				
Miscellaneous	-	-	-	-
Contributions	21,000	21,000	22,918	1,918
Contributions in Kind	51,888	51,888	51,888	-
Total Revenues	<u>106,867</u>	<u>106,867</u>	<u>108,785</u>	<u>1,918</u>
<u>EXPENDITURES</u>				
Current:				
Expenditures in Kind	51,888	51,888	51,888	-
Personnel	86,924	86,924	87,242	(318)
Fringe	13,598	13,598	14,297	(699)
Travel	3,080	3,080	1,068	2,012
Operating services	2,119	2,119	4,456	(2,337)
Operating supplies	543	543	457	86
Meals	-	-	-	-
Capital outlay	-	-	-	-
Utility assistance	-	-	-	-
Other	1,550	1,550	1,265	285
Total Expenditures	<u>159,702</u>	<u>159,702</u>	<u>160,673</u>	<u>(971)</u>
Excess of Revenues over (under) Expenditures	(52,835)	(52,835)	(51,888)	947
<u>OTHER FINANCING SOURCES</u>				
<u>USES</u>				
Operating transfers in	52,835	52,835	51,888	(947)
Operating transfers out	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL REVENUE FUND - Parish Health District**

**POINTE COUPEE COUNCIL ON AGING, INC.
NEW ROADS, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2019**

<u>REVENUES</u>	<u>BUDGETS</u>		<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental:				
Capital Area Agency on Aging, Inc.	-	-	-	-
Governor's Office of Elderly Affairs	-	-	-	-
Department of Health & Hospitals	-	-	-	-
Department of Transportation	-	-	-	-
Pointe Coupee Health District	282,000	282,000	282,000	-
Other:				
Miscellaneous	-	-	-	-
Contributions	-	-	-	-
Contributions in Kind	-	-	-	-
Total Revenues	<u>282,000</u>	<u>282,000</u>	<u>282,000</u>	<u>-</u>
<u>EXPENDITURES</u>				
Current:				
Expenditures in Kind	-	-	-	-
Personnel	-	-	-	-
Fringe	-	-	-	-
Travel	-	-	-	-
Operating services	-	-	-	-
Operating supplies	-	-	-	-
Meals	-	-	-	-
Capital outlay	-	-	-	-
Utility assistance	-	-	-	-
Other	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues over (under) Expenditures	282,000	282,000	282,000	-
<u>OTHER FINANCING SOURCES</u>				
<u>USES</u>				
Operating transfers in	-	-	-	-
Operating transfers out	(282,000)	(282,000)	(282,000)	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SUPPLEMENTARY FINANCIAL INFORMATION

Required by: Governor's Office of Elderly Affairs

Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Special Revenue Funds
Pointe Coupee Council on Aging, Inc.
New Roads, LA

For the Year Ended June 30, 2019

	Title III C-2	Title III E	Senior Center	Utility Assistance	Special Projects	United Way	Adopt an Elderly	FEMA	Meals	Total Non-Major Funds
REVENUES										
Intergovernmental										
Capital Area Agency on Aging	\$ 9,958	\$ 2,625	\$ -	\$ -	\$ -	\$ 6,719	\$ -	\$ -	\$ -	\$ 19,302
Governor's Office of Elderly Affairs	-	-	43,655	-	-	-	-	-	-	43,655
Pointe Coupee Police Jury	-	-	-	-	7,051	-	-	-	-	7,051
Emergency Shelter Board	-	-	-	-	-	-	-	7,452	-	7,452
Public Support										
Contributions-other restricted	-	-	-	-	-	-	20,724	-	-	20,724
Participants Contributions	11,774	-	-	-	-	-	-	-	-	11,774
Investment Income	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	3,834	-	-	-	-	-	3,834
Inkind Contributions	2,652	172	-	-	-	-	-	-	-	2,824
Total Revenues	24,384	2,797	43,655	3,834	7,051	6,719	20,724	7,452	-	116,616
EXPENDITURES										
Health, Welfare, & Social Services										
Current:										
Personnel	45,315	3,332	-	-	-	-	-	-	-	48,647
Fringe	11,014	896	-	-	-	-	-	-	-	11,910
Travel	234	16	-	-	-	-	-	-	-	250
Operating Services	4,914	80	11,976	-	-	-	-	-	-	16,970
Operating Supplies	2,603	19	2,500	-	-	-	-	-	-	5,122
Other Costs	1,131	51	-	-	9,629	-	-	-	-	10,811
Meals	-	-	-	-	-	-	-	7,452	37,096	44,548
Utility Assistance	-	-	-	2,012	-	-	-	-	-	2,012
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Inkind Expenditures	2,652	172	-	-	-	-	-	-	-	2,824
Total Expenditures	67,863	4,566	14,476	2,012	9,629	-	-	7,452	37,096	143,094
Excess (deficiency) of Revenues over Expenditures	(43,479)	(1,769)	29,179	1,822	(2,578)	6,719	20,724	-	(37,096)	(26,478)
OTHER FINANCING SOURCES (USES)										
Transfers In	43,479	1,769	-	-	-	-	-	-	37,096	82,344
Transfers Out	-	-	(29,179)	-	-	(6,719)	(20,724)	-	-	(56,622)
Total other Financing Sources and Uses	43,479	1,769	(29,179)	-	-	(6,719)	(20,724)	-	37,096	25,722
Net Increase (Decrease) in Fund Balances	-	-	-	1,822	(2,578)	-	-	-	-	(756)
FUND BALANCES										
Beginning of the Year	-	-	-	24,875	26,486	-	-	4,067	-	55,428
End of the Year	\$ -	\$ -	\$ -	\$ 26,697	\$ 23,908	\$ -	\$ -	\$ 4,067	\$ -	\$ 54,672

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

Pointe Coupee Council on Aging, Inc.
New Roads, Louisiana

For the year ended June 30, 2019

	Balance <u>June 30, 2018</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2019</u>
General Fixed Assets:				
Vehicles	\$ 13,947	\$ -	\$ -	\$ 13,947
Building improvements	-	-	-	-
Office Furniture and Equipment	38,148	-	-	38,148
Total Fixed Assets	\$ 52,095	\$ -	\$ -	\$ 52,095
Investment in General Fixed Assets:				
Property acquired with funds from-				
PCOA	14,068	-	-	14,068
FTA (DOTD)	26,158	-	-	26,158
Pointe Coupee Health Service District	7,819	-	-	7,819
Union Pacific	1,200	-	-	1,200
Donated - Pointe Coupee Health Service District	-	-	-	-
Other	2,850	-	-	2,850
Total Investments in General Fixed Assets	\$ 52,095	\$ -	\$ -	\$ 52,095

SUPPLEMENTARY FINANCIAL INFORMATION
REQUIRED BY: OMB CIRCULAR A-133

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

Pointe Coupee Council on Aging, Inc.
New Roads, Louisiana

For the year ended June 30, 2019

<u>Grants Passed Through State of Louisiana and Capital Area Agency on Aging</u>	<u>Federal CFDA Number</u>	<u>Program Award Amount</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
Capital Area Agency on Aging- District II, Inc.				
Title III Part C-1	93.045	\$ 27,916	\$ 27,916	\$ 27,916
Title III Part C-2	93.045	9,060	9,060	9,060
Title III Part B	93.044	40,670	40,670	40,670
Title III Part E	93.052	1,969	1,969	1,969
Pointe Coupee Parish Police Jury -State Project No. RU18-39-13 Federal Grant No LA-18-X028		264,250	264,250	264,250
Totals		\$ 343,865	\$ 343,865	\$ 343,865

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

**Pointe Coupee Council on Aging, Inc.
New Roads, Louisiana
For the year ended June 30, 2019**

Executive Director's (Agency Head) Name: Becky Bergeron

Purpose	Amount
Salary	\$ 64,039
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	900
Housing	
Unvouchered expenses (example: travel advances, etc.)	
Special meals	
Other - Petty Cash Reimbursements	

2915 S. Sherwood Forest Blvd, Suite B
Baton Rouge, LA 70816
P: 225.292.7434

2895 Hwy 190, Suite 230
Mandeville, LA 70471
P: 985.674.9092

**Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements Performed in
Accordance With Government Auditing Standards**

To the Board of Directors,
Pointe Coupee Council on Aging
New Roads, 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 Pointe Coupee Council on Aging, New Roads, Louisiana, (the Council) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements, and have issued my report thereon dated November 13, 2019.

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,
November 13, 2019


Michael R. Choate & Company, CPAs

FINDINGS AND QUESTIONED COSTS

Internal Accounting and Administrative Controls and Compliance

Pointe Coupee Council on Aging, Inc.
New Roads, Louisiana

June 30, 2019

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

PRIOR YEAR AUDIT FINDINGS

Pointe Coupee Council on Aging, Inc.
New Roads, Louisiana

June 30, 2019

MATERIAL WEAKNESSES – JUNE 30, 2018

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

**POINTE COUPEE COUNCIL ON AGING
AGREED UPON PROCEDURES REPORT**

For the year ended June 30, 2019

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

Independent Accountant's Report on Applying Agreed-Upon Procedures

Pointe Coupee Council on Aging, Inc.
New Roads, Louisiana, USA

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

We have performed the procedures enumerated below, which were agreed to by Pointe Coupee 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, 2018 through June 30, 2019. 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** and address the issues described in the attached Appendix.

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

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

Findings:

1. **Written policies exist for all the AUP categories.**

2. **Testing of all other AUP categories:**

Board or Finance committee – N/A no findings prior year;

Bank reconciliations – N/A no findings prior year.

Collections – N/A no findings prior year;

Non payroll disbursements – N/A no findings prior year;

Credit cards – N/A no findings prior year;

Travel expenditures – N/A no findings prior year;

Contracts (vendors) – N/A no findings prior year;

Payroll – NA no findings prior year;

Ethics – No findings this year.

Debt service – N/A no findings prior year;

Other – N/A no findings prior year.

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.

December 26, 2019


Michael R Choate & Company CPAs

APPENDIX

*Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures
Year 3 – Fiscal Years Ending 6/30/2019 through 5/31/2020*

Procedures

Report all exceptions to the following procedures, either after each procedure or after all procedures within each of the twelve AUP categories. “Random” selections may be made using Microsoft Excel’s random number generator or an alternate method selected by the practitioner that results in an equivalent sample (e.g., those methods allowed under the AICPA Audit Guide - *Audit Sampling*).

Written Policies and Procedures

1. Obtain and inspect the entity’s written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity’s operations):³
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget
 - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) ***Disbursements***, including processing, reviewing, and approving
 - d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management’s actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - e) ***Payroll/Personnel***, including (1) payroll processing, 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,

³ For governmental organization, the practitioner may eliminate those categories and subcategories that do not apply to the organization’s operations. For quasi-public organizations, including non-profits, the practitioner may eliminate those categories and subcategories that do not apply to public funds administered by the quasi-public.

Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures

Year 3 – Fiscal Years Ending 6/30/2019 through 5/31/2020

- (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)
- h) *Travel and expense reimbursement*, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
 - i) *Ethics*⁴, 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.
 - j) *Debt Service*, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
 - k) *Disaster Recovery/Business Continuity*, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

*Board or Finance Committee*⁵

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds.⁶ *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes*

⁴ The Louisiana Code of Ethics is generally not applicable to non-profit entities but may be applicable in certain situations, such as councils on aging. If ethics is applicable to a non-profit, the non-profit should have written policies and procedures relating to ethics.

⁵ These procedures are not applicable to entities managed by a single elected official, such as sheriff or assessor.

⁶ Major funds are defined under GASB standards. The related procedure addresses major funds as a way to verify that boards are provided with financial information necessary to make informed decisions about significant entity operations, including proprietary operations that are not required to be budgeted under the LGBA.

Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures Year 3 – Fiscal Years Ending 6/30/2019 through 5/31/2020

referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Bank Reconciliations

- 3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts⁷ (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
 - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Collections (excluding EFTs)⁸

- 4. Obtain a listing of deposit sites⁹ for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- 5. For each deposit site selected, obtain a listing of collection locations¹⁰ and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies

⁷ Accounts selected may exclude savings and investment accounts that are not part of the entity's daily business operations.

⁸ The Collections category is not required to be tested if the entity has a third party contractor performing all collection functions (i.e., receiving collections, preparing deposits, and making deposits).

⁹ A deposit site is a physical location where a deposit is prepared and reconciled.

¹⁰ A collection location is a physical location where cash is collected. An entity may have one or more collection locations whose collections are brought to a deposit site for deposit.

Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures
Year 3 – Fiscal Years Ending 6/30/2019 through 5/31/2020

and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under “Bank Reconciliations” above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day)¹¹. *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
- a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
 - e) Trace the actual deposit per the bank statement to the general ledger.

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

¹¹ If “bank reconciliations” have been rotated off for Year 2, the practitioner should insert a procedure with the same selection methodology that would have been used for bank reconciliations.

Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures
Year 3 – Fiscal Years Ending 6/30/2019 through 5/31/2020

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

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); should not be reported.]]
10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
 - a) Observe that the disbursement matched the related original invoice/billing statement.
 - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

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

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards¹². Obtain management's representation that the listing is complete.
12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or

¹² Including credit cards used by school staff for either school operations or student activity fund operations.

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combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

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

Travel and Travel-Related Expense Reimbursements¹⁴ (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those

¹³ For example, if 3 of the 5 cards selected were fuel cards, only 10 transactions would be selected for each of the 2 credit cards. Conceivably, if all 5 cards randomly selected under procedure #12 were fuel cards, Procedure #13 would not be applicable.

¹⁴ Non-travel reimbursements are not required to be tested under this category.

Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures

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individuals participating) and other documentation required by written policy (procedure #1h).

- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
 - a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law¹⁵ (e.g., solicited quotes or bids, advertised), if required by law.
 - b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
 - c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.
 - d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Payroll and Personnel

16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe that 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.)

¹⁵ If the entity has adopted the state Procurement Code, replace "Louisiana Public Bid Law" with "Louisiana Procurement Code."

Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures
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- b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulate leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.
19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

*Ethics*¹⁶

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above¹⁷, obtain ethics documentation from management, and:
- a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

*Debt Service*¹⁸

21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.
22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree

¹⁶ The Louisiana Code of Ethics is generally not applicable to non-profit entities but may be applicable in certain situations, such as councils on aging. If ethics is applicable to a non-profit, the procedures should be performed.

¹⁷ If "payroll and personnel" have been rotated off for Year 2, the practitioner should insert a procedure with the same selection methodology that would have been used for payroll and personnel.

¹⁸ This AUP category is generally not applicable to non-profit entities; however, if applicable, the procedures should be performed.

*Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures
Year 3 – Fiscal Years Ending 6/30/2019 through 5/31/2020*

actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Other

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
24. Observe that the entity has posted on its premises¹⁹ and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.²⁰

¹⁹ Observation may be limited to those premises that are visited during the performance of other procedures under the AUPs.

²⁰ This notice is available for download or print at www.la.gov/hotline.