

**JEFFERSON COUNCIL  
ON AGING, INC.**

FINANCIAL STATEMENTS AND SCHEDULES  
*June 30, 2017*

# **JEFFERSON COUNCIL ON AGING, INC.**

## TABLE OF CONTENTS

	<b>PAGE</b>
INDEPENDENT AUDITORS' REPORT .....	1-3
MANAGEMENT'S DISCUSSION AND ANALYSIS (REQUIRED SUPPLEMENTARY INFORMATION).....	4-14
BASIC FINANCIAL STATEMENTS:	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
Statement of Net Position.....	16
Statement of Activities .....	17
FUND FINANCIAL STATEMENTS - GOVERNMENTAL FUNDS	
Fund Balance Sheet – Governmental Funds .....	19-20
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position .....	21
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds .....	22-23
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	24
NOTES TO THE FINANCIAL STATEMENTS.....	26-50

# **JEFFERSON COUNCIL ON AGING, INC.**

## **TABLE OF CONTENTS - CONTINUED**

	<b>PAGE</b>
<b>SUPPLEMENTARY FINANCIAL INFORMATION REQUIRED BY GASB STATEMENT NO. 34</b>	
Budgetary Comparison Schedule - General Fund.....	52
Budgetary Comparison Schedule - Title III B - Supportive Services Fund.....	53
Budgetary Comparison Schedule - Title III C-1 - Congregate Meals Fund .....	54
Budgetary Comparison Schedule - Title III C-2 - Home Delivered Meals Fund .....	55
Budgetary Comparison Schedule - Title V - Senior Community Service Employment Program Fund.....	56
Budgetary Comparison Schedule - Senior Center Fund.....	57
Note to Required Supplementary Information .....	58-59
<b>SUPPLEMENTARY FINANCIAL INFORMATION REQUIRED BY THE GOVERNOR'S OFFICE OF ELDERLY AFFAIRS (GOEA)</b>	
Combining Balance Sheet - Governmental Fund - General Fund Programs .....	61-62
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Fund - General Fund Programs .....	63-64
Combining Balance Sheet - Non-Major Governmental Funds - Special Revenue Funds .....	65-66
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-Major Governmental Funds - Special Revenue Funds.....	67-68
Comparative Statement of Capital Assets and Changes in Capital Assets.....	69
Units of Service (Unaudited).....	70

# JEFFERSON COUNCIL ON AGING, INC.

## TABLE OF CONTENTS - CONTINUED

	<b>PAGE</b>
<b>SUPPLEMENTARY FINANCIAL INFORMATION REQUIRED BY UNIFORM GUIDANCE</b>	
Schedule of Expenditures of Federal Awards .....	72
Notes to Schedule of Expenditures of Federal Awards.....	73
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u> .....	74-75
Independent Auditors' Report on Compliance For Each Major Program and on Internal Control Over Compliance Required By the Uniform Guidance .....	76-77
Schedule of Findings and Questioned Costs .....	78-79
Summary Schedule of Prior Year Findings .....	80
<b>OTHER SUPPLEMENTAL INFORMATION</b>	
Schedule of Compensation, Reimbursements, Benefits and Other Payments to Agency Head .....	81

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## INDEPENDENT AUDITORS' REPORT

Members of the Board of Directors  
Jefferson Council on Aging, Inc.

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Jefferson Council on Aging, Inc. (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.

### **Auditors' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we 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 auditors' 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, we 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our 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, 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 and budgetary comparison information on pages 4-14 and 52-59 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The combining and individual nonmajor fund financial statements, comparative statement of capital assets and changes in capital assets, and schedule of compensation, reimbursements, benefits and other payments to agency head are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, comparative statement of capital assets and changes in capital assets, schedule of compensation, reimbursements, benefits and other payments to agency head, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information

has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, comparative statement of capital assets and changes in capital assets, schedule of compensation, reimbursements, benefits and other payments to agency head and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The schedule of units of service has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2017, on our consideration of the Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.

*Kushner LaGraize, L.L.C.*

Metairie, Louisiana  
October 26, 2017

**JEFFERSON COUNCIL ON AGING, INC.**  
*MANAGEMENT'S DISCUSSION AND ANALYSIS*  
*June 30, 2017*

This report is designed to present to the reader a narrative overview and analysis of the financial performance of the Jefferson Council on Aging, Inc. (the Council) for the fiscal year ended June 30, 2017, with comparative data (where applicable) from the fiscal year ended June 30, 2016. Please read it in conjunction with the financial statements, which follow.

FINANCIAL HIGHLIGHTS

- Net position; that is, total assets less total liabilities, increased by \$238,808, or 23.4% this fiscal year.
- Revenues decreased by \$39,783 or 0.7% over last fiscal year.
- Expenditures decreased by \$226,021 or 3.9% over last fiscal year.
- The unassigned fund balance for the Council's General Fund increased by \$1,523 or 0.4% this fiscal year.
- No deficit fund balances exist at year-end.
- Net investment in capital assets decreased by \$23,252 or 28.6% over last fiscal year.

HOW TO USE THIS ANNUAL REPORT

This annual report consists of a series of financial statements that provide a picture of the Council's activities as a whole, as well as a closer look at the Council's more significant activities. These reports recognize the expense of depreciation to our fixed assets, which gives the reader a more realistic view of the value of our capital resources which we use in the performance of the Council's activities, and which we will have to replace in the future.

The Council's annual report is composed of five parts as follows:

1. Management's Discussion and Analysis (MD&A)
2. Basic Financial Statements
3. GASB Required Supplementary Information
4. Supplementary Information on General Fund and Non-Major Governmental Funds
5. Special Reports of the Certified Public Accountant and Management

The auditor has provided assurance in the independent auditors' report, located immediately before the Management's Discussion and Analysis, that the Basic Financial Statements are fairly presented. The auditor is providing varying degrees of assurance about Supplemental Financial Information Required by GASB Statement No. 34 and Supplementary Financial Information Required by the Governor's Office of Elderly Affairs (GOEA) and The Uniform Guidance as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* that follow later in this reporting package. A user of this report should read the independent auditors' report carefully to ascertain the level of assurance being provided for each part of the financial section of the report.



**JEFFERSON COUNCIL ON AGING, INC.**  
MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED  
June 30, 2017

**Basic Financial Statements**

The basic financial statements include two kinds of statements that present different perspectives of the Council: *Government-wide Statements*, and *Fund Financial Statements*.

**Using Government-wide Statements to View the Council as a Whole**

The analysis of the Council as a whole begins on page 16 and gives the reader an opportunity to evaluate whether the current year's activities left the Council in a stronger or weaker position financially. The statements are prepared like a private sector business; that is, the accrual method of accounting is used, recognizing revenues and expenses in the current year regardless of when cash is received or paid. In addition, the factor of depreciation is included, where a systematic reduction in the value of existing capital assets is realized and is expensed accordingly.

The Statement of Net Position summarizes all of the Council's major classes of assets and liabilities at year-end, with the difference between the two being designated as Net Position, which is further broken down into its restricted, unrestricted, and capital components. Over time, increases or decreases in net position are one indicator of whether its financial position is improving or deteriorating. However, to assess the overall condition of the Council, the reader will have to consider other non-financial factors, such as the condition of the Council's capital assets, future additions or cuts to funding from its revenue sources, and the expansion or contraction of activities of programs and services.

The Statement of Activities shows how the net position has changed during the current fiscal year, based upon the activities performed. The Council's activities consist of a Health, Welfare, and Social Services function, and an Administrative function. Within the Health, Welfare and Social Services function are various programs that include Supportive Services, Nutritional Services, Information and Assistance, Senior Center Operations, and others as noted. All of these activities are *governmental activities*, which means that the Council uses government grants and contracts, along with contributions from the general public, to pay for services it provides to our segment of the general public, that is, the elderly.

The Council does not charge for any of the services provided, but encourages contributions from its clientele.

**Using the Fund Financial Statements to Focus on the Council's Most Significant Funds**

The analysis of the Council's major funds begins on page 19. The Fund Financial Statements are designed to provide the reader a more detailed view of the Council's most significant funds, which would include the General Fund and certain Special Revenue Funds. All of these funds are governmental funds.

**JEFFERSON COUNCIL ON AGING, INC.**  
MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED  
June 30, 2017

The presentation of these fund statements use a *modified accrual basis* of accounting, versus the accrual basis used in the Government-wide Financial Statements. For the Council's purposes, the difference between the two methods is in how capital outlays are handled.

In the Fund Financial Statements, a capital outlay is recorded and expensed *in total*, when acquired. Whereas in the Government-wide Financial Statements, the capital outlay is recorded as an *asset*, then depreciated over its estimated useful life, resulting in a *systematic depreciation expense* recognized throughout several fiscal years, and not the full cost of the asset being expensed in the year acquired. Reconciliations are included in the Fund Financial Statements to account for these differences.

**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 the Fund Financial Statements. The notes begin on page 26. The reader should read these notes before making any assumptions or drawing conclusions about the Council's financial condition.

**Supplementary Financial Information Required by GASB Statement No. 34**

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 annual budget. A major fund is one whose revenues, expenditures, assets, or liabilities are at least 10% of corresponding totals for all governmental funds. In addition, a fund that does not meet the above criteria, may be included as a major fund, if in the opinion of management, it is important to present to the Council's financial statement users.

The schedules compare the original and final approved budgets to actual results for the Council's fiscal year. In addition, variances are presented comparing the final budget to the actual results.

**Other Supplementary Financial Statement Information Required by GOEA and the Uniform Guidance**

The Council has also presented other required supplemental information in this reporting package.

**JEFFERSON COUNCIL ON AGING, INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED**  
*June 30, 2017*

The GOEA has required the Council to present as schedules the information on pages 61 - 70. This information is used by GOEA to verify the accuracy of information the Council submitted to it during the year and to help GOEA monitor certain compliance requirements set forth in the grants that it has with the Council.

The Uniform Guidance requires a Schedule of Expenditures of Federal Awards. This schedule presents 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 to the Council.

**AN ANALYSIS OF THE COUNCIL AS A WHOLE USING  
GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The following table reflects condensed information on the Council's net position:

	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>Increase (Decrease)</u>
Current and other assets	\$ 1,433,809	\$ 1,141,796	\$ 292,013
Capital Assets, net of depreciation	<u>57,967</u>	<u>81,219</u>	<u>(23,252)</u>
Total Assets	<u>1,491,776</u>	<u>1,223,015</u>	<u>268,761</u>
Compensated absences	38,598	32,417	6,181
Other liabilities	<u>194,792</u>	<u>171,020</u>	<u>23,772</u>
Total Liabilities	<u>233,390</u>	<u>203,437</u>	<u>29,953</u>
Net Position:			
Net investment in Capital Assets	57,967	81,219	(23,252)
Restricted	488,424	222,425	265,999
Unrestricted	<u>711,995</u>	<u>715,934</u>	<u>(3,939)</u>
Total Net Position	<u>\$ 1,258,386</u>	<u>\$ 1,019,578</u>	<u>\$ 238,808</u>

**JEFFERSON COUNCIL ON AGING, INC.**  
*MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED*  
*June 30, 2017*

As of June 30, 2017, the Council "as a whole" had assets greater than its liabilities by \$1,258,386, of which \$711,995 or 56.6% is unrestricted. An amount of \$211,642 or 29.7% of the unrestricted net position are the net proceeds raised by the former Community Committees on Aging and are designated for the Senior Centers to use for social and educational activities they wish to hold. An amount of \$500,000 or 70.2% of the unrestricted net position is designated as a Working Capital Reserve, the purpose of which is to have available resources to systematically phase out programs in the event of funding cancellation or delay by either legislative action or policy changes. It is important for the Council to have unrestricted net position in order to have resources available to respond to reductions in funding, emergencies, or program terminations.

Net position is deemed restrictive when constraints are placed on the asset's use by the grantor, contributor, or laws or regulations of other governmental agencies. In addition, laws created through constitutional provisions or enabling legislation can impose restrictions to net position.

The Council's restricted net position is primarily comprised of resources dedicated to the Nutrition programs, specifically the Nutritional Services Incentive Program (or NSIP) Program and the Endowment Program.

Compensated absences represent the liability due to eligible full-time employees for earned but unused vacation leave. In the event of termination, the employee is entitled to payment for any outstanding unused vacation leave, provided he/she has followed all procedures as required in the Council's personnel policy.

Other liabilities consist primarily of accrued payroll related expenses and vendor payables.

The following table shows condensed information in the changes to the Council's net position for the year ended June 30, 2017 versus June 30, 2016.

**JEFFERSON COUNCIL ON AGING, INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED**  
*June 30, 2017*

	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>Increase (Decrease)</u>	<u>Percentage Increase (Decrease)</u>
Revenues				
Program Revenues:				
Charges for Services	\$ 262,253	\$ 350,694	\$ (88,441)	(25.2) %
Operating Grants and Contributions	4,232,568	4,243,639	(11,071)	(0.3)
General Revenues:				
Local Governments	471,464	382,168	89,296	23.4
Grants not restricted to specific programs	779,137	779,905	(768)	(0.1)
Endowment donations and interest	441	1,961	(1,520)	(77.5)
Unrestricted Investment Earnings	6,050	2,710	3,340	123.2
Other	<u>21,122</u>	<u>51,741</u>	<u>(30,619)</u>	<u>(59.2)</u>
Total Revenues	5,773,035	5,812,818	(39,783)	(0.7)
Direct Program Expenses of the Health, Welfare, and Social Services functions:				
Supportive Services:				
Personal Care	38,034	35,964	2,070	5.7
Adult Day Health Care	12,255	22,639	(10,384)	(45.9)
Homemaker	63,312	61,753	1,559	2.5
Legal Assistance	14,266	17,071	(2,805)	(16.4)
Material Aid	21,050	22,804	(1,754)	(7.7)
Senior Employment Training	553,789	559,700	(5,911)	(1.0)
Recreation and Education	1,480	1,532	(52)	(3.4)
Transportation	557,758	654,576	(96,818)	(14.8)
Nutrition Services:				
Congregate Meals	551,238	654,651	(103,413)	(15.8)
Home Delivered Meals	996,450	1,137,077	(140,627)	(12.4)
Information and Assistance	278,569	270,514	8,055	3.0
In-Home Respite Care	35,143	34,043	1,100	3.2
Preventive Health	12,681	12,112	569	4.7
Senior Center Operations	1,421,140	1,379,542	41,598	3.0
Direct Administration Expenses	<u>977,062</u>	<u>896,270</u>	<u>80,792</u>	<u>9.0</u>
Total Expenses	<u>5,534,227</u>	<u>5,760,248</u>	<u>(226,021)</u>	<u>(3.9)</u>
Increase in Net Position	<u>\$ 238,808</u>	<u>\$ 52,570</u>	<u>\$ 186,238</u>	<u>354.3 %</u>

**JEFFERSON COUNCIL ON AGING, INC.**  
*MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED*  
*June 30, 2017*

The Council's total revenues decreased by \$39,783, or 0.7%, from the previous year. The primary factors for this decrease are as follows:

- Charges for Services decreased \$88,441 due to a downward adjustment in the Council's charged rate and a slight decrease in the number of Transportation rides provided during fiscal 2017.
- Operating Grants and Contributions had a net decrease of \$11,071. Primary decreases for funds in fiscal 2017 include the non-renewal of a grant from the Greater New Orleans Foundation (\$20,000) and a decrease in the amount received from Corporate Program Supporters (\$203,214). Offsetting the decreases, increases in funding from fiscal 2016 include an increased contract from Jefferson Parish for additional funding for the home-delivered meals program totaling \$27,896, increased Millage received from Jefferson Parish dedicated to the Council's Food Program totaling \$46,000, increased Millage received from Jefferson Parish dedicated to Senior Centers totaling \$16,548, additional Client contributions totaling \$52,850, and additional funds raised by the Council's Development Program totaling \$59,874.
- Other funding sources decreased by \$30,619. In fiscal 2016, the Council received insurance proceeds from a van accident in the amount of \$16,594; the Council also received a refund from Gulf Coast Bank in calculating interest, totaling \$12,610. The non-recurrence of these one-time actions from fiscal 2016 are the primary reason for the decrease in Other funding sources.

Offsetting the above mentioned decreases in the Council's revenues included the following increases:

- Local Government funding increased by \$89,296. This was primarily due to an increased Operating Grant received from the State of Louisiana's Department of Transportation and Development totaling \$86,436.

The Council's total expenses decreased by \$226,021 or 3.9% over last year. The primary factors for this decrease are as follows:

- Decrease in the number of Congregate and Home Delivered Meals served due to reduction in funding, primarily the termination of a grant from Peoples Health on December 31, 2015 (\$120,000).
- Decrease in Adult Day Health Care services provided, due to a reduced need communicated by the Council's clients.
- Decrease in Transportation expenses incurred by the Council, associated with a downward adjustment in the Council's charged rate and a slight decrease in the number of Transportation rides provided during fiscal 2017.

**JEFFERSON COUNCIL ON AGING, INC.**  
*MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED*  
*June 30, 2017*

Offsetting the above mentioned decreases in the Council's expenses included the following increases:

- Increase in Senior Center Operations expense, associated with increased activities planned for and executed on behalf of clients.
- Increase in Direct Administration Expenses, associated with a higher insurance expense of \$10,681, higher Computer Related Fees of \$33,884, higher Telephone/Internet expenses of \$12,895, higher General Office expenses of \$11,833, and higher Recreational Supplies expense of \$7,455.

**AN ANALYSIS OF THE COUNCIL'S FUNDS  
USING GOVERNMENTAL FUND FINANCIAL STATEMENTS**

***Fund Balances***

The Council showed a combined governmental fund balance of \$1,200,419 per the Fund Balance Sheet, an increase of \$262,060 or 27.9% from last year. The increase is primarily attributable to revenues in excess of expenditures incurred during fiscal year 2017 for the Nutritional Services Incentive Program of \$181,907, Community Block Grant for Meals fund of \$53,948, and Private Pay Meals Program of \$62,252, offset by the use of the Give NOLA fund for meals (\$34,178).

***Revenues***

Overall, there was a decrease in revenues. But as stated elsewhere in the MD&A, the decline in Charges for Services, Other Revenues, and Grants not restricted to specific programs was offset by an increase in Local Government Revenues.

Additional information on these revenues was discussed previously in the Analysis of the Council as a whole using Government-Wide Financial Statements.

***Expenditures***

The increases in expenditures were likewise discussed previously in the Analysis of the Council as a whole using Government-wide Financial Statements.

**AN ANALYSIS OF THE GENERAL FUND BUDGET**

The primary reasons for amending a budget are to account for unanticipated changes in both revenues and expenditures and to prevent compliance violations under the Council's grants from GOEA. The budget was not amended for the year ended June 30, 2017.

**JEFFERSON COUNCIL ON AGING, INC.**  
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED  
June 30, 2017

**AN ANALYSIS OF CAPITAL ASSETS AND DEBT ADMINISTRATION**

At the end of the fiscal year, the Council had \$57,967 in capital assets net of accumulated depreciation. This represents a net decrease of \$23,252 over last year as shown below:

Capital Assets, Net of Depreciation at Year End Governmental Activities				
	<u>6/30/2017</u>	<u>6/30/2016</u>	Increase (Decrease)	Percentage Increase (Decrease)
Furniture and Equipment	\$ 41,484	\$ 60,136	\$ (18,652)	(31.0)%
Vehicles	<u>16,483</u>	<u>21,083</u>	<u>(4,600)</u>	<u>(21.8)</u>
Total	<u>\$ 57,967</u>	<u>\$ 81,219</u>	<u>\$ (23,252)</u>	<u>(28.6)%</u>

Depreciation expense for the year totaled \$24,351, which was primarily on the Council's furniture, equipment and vehicles. More detailed information on the Council's capital assets can be found in the notes to the financial statements.

The Council did not have any long-term debt at June 30, 2017 and 2016.

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

The Council receives most of its funding from federal and state agencies. In addition, the Council entered into a cooperative endeavor agreement on September 29, 2006 whereby Jefferson Parish not only continues to provide general funding for our operation and a significant in-kind contribution of facility usage for Senior Centers and meal sites in the unincorporated areas of the Parish, but also millage funding to augment or initiate services for the elderly in the unincorporated areas of Jefferson Parish and the town of Jean Lafitte. The Cooperative Endeavor Agreement was renewed in October 2016.

Federal and state income sources have been relatively consistent; however, some of the Council's grants and contracts are contingent upon the level of service provided by the Council. In addition, 100% state funded programs are subject to mandated cuts by the Governor, and thus, revenues can vary from year to year. Preparation of the fiscal year 2018 budget included the following major factors:

- Revenue stream from the fiscal year 2018 Schedule of Funding received from GOEA.
- Anticipated revenue stream from contributions to the Nutrition programs.
- Anticipated revenue from the Parish millage to assist in funding for Nutrition Programs and from the Parish millage to assist in funding for Senior Centers.



**JEFFERSON COUNCIL ON AGING, INC.**  
*MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED*  
*June 30, 2017*

- Anticipated revenue from the general funding appropriation to the Council from Jefferson Parish.
- Anticipated numbers of services the Council could provide with projected funding levels, considering the demand for services offered, and price increases charged by our current and other available service providers and vendors.
- Anticipated staffing levels required to maintain services projected.
- No general wage increase for fiscal year 2018.

The Governor's Office of Elderly Affairs approved the fiscal year 2018 budget in September 2017.

In the past, the State Legislature provided additional funding to the Council through special line item appropriations. These funds are not recurring and were not available at the time the Schedule of Funding was provided to the Council by the Governor's Office for fiscal year 2018.

If during the fiscal year, any additional funding is awarded by the State Legislature, a revised budget will have to be submitted during fiscal year 2018 to account for the use of these additional funds.

Economic factors to be considered for fiscal year 2018 and beyond include the following:

- Since the budget of the State of Louisiana is based primarily on the revenue stream generated by the price of oil, and also the collections of sales taxes, the Governor and his staff review potential cuts to the State Budget. There always exists the possibility of reductions to our State funds.
- Due to the volatile availability of millage funding and general funding from Jefferson Parish, the Council will be forced to find other sources of funding, with a focus on recurring funding sources, to minimize the amount of service reductions.
- In January 2015, Peoples Health awarded the Council \$240,000 to continue assistance to the Nutrition program through December 2015. However, once expended by January 2016, the Council was forced to initiate waiting lists again. The Council did receive approximately \$67,000 from the "Give NOLA" fund drive in the latter part of fiscal year 2016. The Council continues to regularly research and apply for grants, not only for nutrition, but for all services we can provide to our seniors, but the need for finding recurring funding sources is paramount.

**JEFFERSON COUNCIL ON AGING, INC.**  
*MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED*  
*June 30, 2017*

- Wages in the marketplace continue to cause a majority of our positions to be non-competitive. The effect of this disparity is shown by loss of staff with the subsequent replacement staff being paid at a higher rate of pay. This is still no assurance that the Council can retain new hires. Keeping current staff can result in additional increases to wages and resultant reductions to the levels of services that the Council can afford to provide. In an attempt to minimize the effect of higher wage rates, the Council's Administration seeks ways of consolidating staff duties, lowering the number of staff required but paying more competitive wage rates.
- Our service providers are hiring staff at higher rates of pay; the effects being higher unit costs being charged to the Council, and fewer units of service purchased.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide government agencies and the general public an overview of the Council's finances, and demonstrate the accountability for the funding it receives. If there are any questions regarding the content of this report, or any related information about the Council, please contact Albert Robichaux, CEO at the Council's main office located at 6620 Riverside Drive, Suite 216, Metairie, LA 70003, or by phone at (504) 888-5880. If email is the preferred medium of contact, please send as follows:

Albert Robichaux

[arobichaux@jcoa.net](mailto:arobichaux@jcoa.net)

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**JEFFERSON COUNCIL ON AGING, INC.**

STATEMENT OF NET POSITION

June 30, 2017

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 902,118
Accounts receivable	383,143
Prepaid expenses	<u>16,225</u>
<b>TOTAL CURRENT ASSETS</b>	<b>1,301,486</b>
Restricted assets:	
Cash and cash equivalents	5,323
Investments	127,000
Capital assets:	
Depreciable, net of accumulated depreciation	<u>57,967</u>
<b>TOTAL ASSETS</b>	<b><u>1,491,776</u></b>
<b>LIABILITIES</b>	
Accounts payable and accrued expenses	<u>233,390</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b><u>233,390</u></b>
<b>NET POSITION</b>	
Net investment in capital assets	57,967
Restricted net position	488,424
Unrestricted net position	<u>711,995</u>
<b>TOTAL NET POSITION</b>	<b><u>\$ 1,258,386</u></b>

# JEFFERSON COUNCIL ON AGING, INC.

## STATEMENT OF ACTIVITIES For the Year Ended June 30, 2017

<u>Functions/Programs</u>	<u>Direct Expenses</u>	<u>Indirect Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>
			<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Total Governmental Activities</u>
Governmental Activities:					
Health, Welfare and Social Services:					
Supportive Services:					
Personal Care	\$ 38,033	\$ -	\$ -	\$ 38,033	\$ -
Adult Day Health Care	12,255	-	-	12,255	-
Homemaker	63,312	-	-	63,312	-
Legal Assistance	14,267	-	-	14,052	(215)
Material Aid	21,049	-	-	21,049	-
Senior Employment Training	553,790	26,607	-	565,744	(14,653)
Recreation and Education	1,480	-	-	369	(1,111)
Transportation	557,758	65,839	262,253	110,029	(251,315)
Nutrition Services:					
Congregate Meals	551,238	45,091	-	639,272	42,943
Home Delivered Meals	996,450	89,356	-	1,258,311	172,505
Information and Assistance	278,569	52,636	-	340,084	8,879
In-Home Respite Care	35,143	-	-	35,143	-
Preventive Health	12,681	2,400	-	13,146	(1,935)
Senior Centers	1,421,140	138,553	-	870,519	(689,174)
Administration and other	<u>977,062</u>	<u>(420,482)</u>	<u>-</u>	<u>251,250</u>	<u>(305,330)</u>
Total governmental activities	<u>\$ 5,534,227</u>	<u>\$ -</u>	<u>\$ 262,253</u>	<u>\$ 4,232,568</u>	<u>(1,039,406)</u>
General Revenues:					
					471,464
					779,137
					441
					6,050
					<u>21,122</u>
					<u>1,278,214</u>
					238,808
Net position:					
					<u>1,019,578</u>
					<u>\$ 1,258,386</u>

***FUND FINANCIAL STATEMENTS***

**JEFFERSON COUNCIL ON AGING, INC.**

## FUND BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2017

	<u>General Fund</u>	<u>Title III B - Supportive Services Fund</u>	<u>Title III C-1- Congregate Meals Fund</u>	<u>Title III C-2 - Home Delivered Meals Fund</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 902,118	\$ -	\$ -	\$ -
Accounts receivable	211,525	-	26,837	34,600
Prepaid expenditures	16,225	-	-	-
Due from other funds	100,269	25,225	-	11,790
Restricted assets:				
Cash and cash equivalents	5,323	-	-	-
Investments	<u>127,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 1,362,460</u></b>	<b><u>\$ 25,225</u></b>	<b><u>\$ 26,837</u></b>	<b><u>\$ 46,390</u></b>
<b>LIABILITIES</b>				
Accounts payable and accrued expenditures	\$ 63,514	\$ 25,225	\$ 11,548	\$ 46,390
Due to other funds	<u>454,643</u>	<u>-</u>	<u>15,289</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	<b><u>518,157</u></b>	<b><u>25,225</u></b>	<b><u>26,837</u></b>	<b><u>46,390</u></b>
<b>FUND BALANCES</b>				
Nonspendable	16,225	-	-	-
Restricted	132,308	-	-	-
Assigned	500,000	-	-	-
Unassigned	<u>195,770</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL FUND BALANCES</b>	<b><u>844,303</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 1,362,460</u></b>	<b><u>\$ 25,225</u></b>	<b><u>\$ 26,837</u></b>	<b><u>\$ 46,390</u></b>

Title V - Senior Community Service Employment Program Fund	Senior Center Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 902,118
54,039	-	56,142	383,143
-	-	-	16,225
-	40,535	377,094	554,913
-	-	-	5,323
-	-	-	127,000
<u>\$ 54,039</u>	<u>\$ 40,535</u>	<u>\$ 433,236</u>	<u>\$ 1,988,722</u>
\$ 23,902	\$ 40,535	\$ 22,276	\$ 233,390
30,137	-	54,844	554,913
54,039	40,535	77,120	788,303
-	-	-	16,225
-	-	356,116	488,424
-	-	-	500,000
-	-	-	195,770
-	-	356,116	1,200,419
<u>\$ 54,039</u>	<u>\$ 40,535</u>	<u>\$ 433,236</u>	<u>\$ 1,988,722</u>



**JEFFERSON COUNCIL ON AGING, INC.**  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS  
 BALANCE SHEET TO THE STATEMENT OF NET POSITION  
*June 30, 2017*

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

Fund Balances - Governmental Funds	\$ 1,200,419
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Capital assets used in governmental activities  
 are not financial resources and, therefore,  
 are not reported in the governmental funds:

Governmental capital assets	\$ 659,205	
Less: accumulated depreciation	<u>(601,238)</u>	<u>57,967</u>

Net Position of Governmental Activities	<u>\$ 1,258,386</u>
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**JEFFERSON COUNCIL ON AGING, INC.**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**GOVERNMENTAL FUNDS**  
*For the Year Ended June 30, 2017*

	General Fund	Title III B - Supportive Services Fund	Title III C - I - Congregate Meals Fund
	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES</b>			
Intergovernmental:			
State of Louisiana:			
Office of Elderly Affairs	\$ 100,000	\$ 388,966	\$ 309,775
Department of Transportation	96,436	-	-
Local governments	375,028	-	94,893
Charges for services	262,253	-	-
Interest income	6,491	-	-
Public support:			
Client contributions	150,943	594	10,299
Miscellaneous	180	-	-
In-kind contributions	<u>-</u>	<u>-</u>	<u>224,245</u>
Total revenues	<u>991,331</u>	<u>389,560</u>	<u>639,212</u>
<b>EXPENDITURES</b>			
Current:			
Health and welfare:			
Salaries	285,953	107,621	133,171
Fringe	44,901	24,458	21,944
Travel	3,002	2,841	362
Operating services	183,199	26,570	30,524
Operating supplies	48,043	2,634	2,054
Other costs	178,180	377,029	1,300
Meals	-	-	182,728
Capital outlay	1,099	-	-
In-kind expenditures	<u>-</u>	<u>-</u>	<u>224,245</u>
Total expenditures	<u>744,377</u>	<u>541,153</u>	<u>596,328</u>
Excess (deficiency) of revenues over expenditures	<u>246,954</u>	<u>(151,593)</u>	<u>42,884</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in	36,109	151,593	6,849
Operating transfers out	<u>(286,561)</u>	<u>-</u>	<u>(49,733)</u>
Total other financing sources (uses)	<u>(250,452)</u>	<u>151,593</u>	<u>(42,884)</u>
Net Change in Fund Balances	(3,498)	-	-
<b>Fund Balances</b>			
Beginning of year	<u>847,801</u>	<u>-</u>	<u>-</u>
End of year	<u>\$ 844,303</u>	<u>\$ -</u>	<u>\$ -</u>

<u>Title III C - 2 - Home Delivered Meals Fund</u>	<u>Title V - Senior Community Service Employment Program Fund</u>	<u>Senior Center Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 434,423	\$ 565,744	\$ 445,818	\$ 818,786	\$ 3,063,512
-	-	-	-	96,436
378,107	-	-	53,948	901,976
-	-	-	-	262,253
-	-	-	-	6,491
70,114	-	-	93,697	325,647
-	-	-	-	180
<u>35,775</u>	<u>-</u>	<u>856,519</u>	<u>-</u>	<u>1,116,539</u>
<u>918,419</u>	<u>565,744</u>	<u>1,302,337</u>	<u>966,431</u>	<u>5,773,034</u>
272,199	501,189	401,267	205,733	1,907,133
35,229	49,808	75,362	46,237	297,939
72,662	2,920	3,540	4,961	90,288
45,694	23,140	143,215	75,284	527,626
12,872	2,139	23,425	24,785	115,952
1,260	1,200	34,136	68,448	661,553
610,117	-	-	-	792,845
-	-	-	-	1,099
<u>35,775</u>	<u>-</u>	<u>856,519</u>	<u>-</u>	<u>1,116,539</u>
<u>1,085,808</u>	<u>580,396</u>	<u>1,537,464</u>	<u>425,448</u>	<u>5,510,974</u>
<u>(167,389)</u>	<u>(14,652)</u>	<u>(235,127)</u>	<u>540,983</u>	<u>262,060</u>
167,389	14,652	235,127	28,131	639,850
-	-	-	(303,556)	(639,850)
<u>167,389</u>	<u>14,652</u>	<u>235,127</u>	<u>(275,425)</u>	<u>-</u>
-	-	-	265,558	262,060
-	-	-	90,558	938,359
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 356,116</u>	<u>\$ 1,200,419</u>

**JEFFERSON COUNCIL ON AGING, INC.**  
 RECONCILIATION OF THE STATEMENT OF REVENUES,  
 EXPENDITURES AND CHANGES IN FUND BALANCES OF  
 GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
 For the Year Ended June 30, 2017

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

Net Change in Fund Balances - Total Governmental Funds	\$ 262,060
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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 depreciation exceeded capital outlays in the current period:

Capital outlays	\$ 1,099		
Depreciation expense	<u>(24,351)</u>	<u>(23,252)</u>	

Change in Net Position of Governmental Activities	<u>\$ 238,808</u>
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***NOTES TO THE FINANCIAL STATEMENTS***

## **JEFFERSON COUNCIL ON AGING, INC.**

### NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

#### NOTE 1 – PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of Jefferson Council on Aging, Inc. (the Council) conform to the accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental and financial reporting principles. The Council applies GASB Statement No. 62 – “Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements,” as amended by GASB Statement No. 66 – “Technical Corrections – 2012 – an amendment of GASB Nos. 10 & 62”. This statement supersedes GASB Statement No. 20, “Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting” by bringing governmental accounting and financial literature together in one place, thereby eliminating the need to subjectively determine which FASB and AICPA pronouncement provisions apply to state and local governments.

During the year ended June 30, 2017, the Council adopted GASB Statement No. 76 – “The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments.” The objective of this statement is to identify, in the context of the current governmental financial reporting environment, the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. This statement supersedes GASB Statement No. 55 – “The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments.”

The following is a summary of certain significant accounting policies used by the Council:

#### ***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 Jefferson 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 and State; to provide for the 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; to coordinate and monitor services of other local agencies serving the aging people of the Parish; to assist and cooperate with the Governor's Office of Elderly Affairs (GOEA) and other departments of state and local government serving the elderly and to make recommendations relevant to the planning and delivery of services to the elderly of the Parish.

**JEFFERSON COUNCIL ON AGING, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
*June 30, 2017*

**NOTE 1 – PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

Specific services provided by the Council to the elderly residents of the Parish include providing congregate and home delivered meals, nutritional education, information and referral services, prescription assistance, insurance counseling, benefits and options counseling, outreach, material aid, in-home respite, personal care, support groups, public education, senior centers, homemakers, recreation, legal assistance, wellness and transportation.

***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 to administer and coordinate social services and programs for the elderly population of Louisiana through sixty-four parish voluntary Councils on Aging.

Before a Council on Aging can begin operations in a specific parish, its application for a charter must receive approval from GOEA pursuant to Louisiana Revised Statute (La. R.S.) 46:1602. Each Council On Aging in Louisiana must comply with the state laws that apply to quasi-public agencies as well as the policies and regulations established by GOEA.

The Council is a legally separate, non-profit, quasi-public corporation. The Council received its charter from the Governor of the State of Louisiana on June 23, 1970 and subsequently incorporated on September 10, 1971 under the provisions of Title 12, Chapter 2 of the Louisiana Revised Statutes.

A board of directors, who serve two three-year terms, governs the Council. The Board of Directors consists of 15 members. The board is comprised of representatives of the Parish's general public that represent all sections of the Parish and that are drawn from, but not limited to, civic organizations, governmental agencies, business and religious groups, Jefferson Parish School Board and Jefferson Parish Government, and State Government officials representing Jefferson Parish. Board members are elected by the General Membership of the Council during its annual meeting. In the event of an interim vacancy, however, the Board may upon recommendation of its Nominating Committee, appoint a new Board member to fill the unexpired term of the vacancy, provided the General Membership ratifies the continuance of the appointment at its next annual meeting.

**JEFFERSON COUNCIL ON AGING, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
*June 30, 2017*

**NOTE 1 – PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

Based on the criteria set forth in GASB Statement No. 14 (as amended by GASB Statement No. 61), *The Financial Reporting Entity*, the Council 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 the criteria set forth in this statement, the Council has presented its financial statements as a special purpose, stand-alone government; accordingly, it is applying the provisions of GASB Statement No. 61 as if it were a primary government.

***Basis of Presentation of the Basic Financial Statements***

The Council's basic financial statements consist of "government-wide" financial statements on all activities of the Council, which are designed to report the Council as a whole entity, and "fund" financial statements, whose purpose are to report individual major governmental funds and combined non-major governmental funds.

Both the government-wide and fund financial statements categorize primary activities as either "governmental" or "business" type. The Council's functions and programs have all been categorized as "governmental" activities. The Council does not have any business-type activities, fiduciary funds, or any component units that are fiduciary in nature. Accordingly, the government-wide financial statements do not include any of these activities or funds.

***Government-Wide Financial Statements***

The government-wide financial statements include the Statement of Net Position and the Statement of Activities for all activities of the Council. As a general rule, the effect of interfund activity has been eliminated from these statements. The government-wide presentation focuses primarily on the sustainability of the Council as an entity and the change in its net position (financial position) resulting from the activities of the current fiscal year. Governmental activities generally are supported by intergovernmental revenues and property tax revenues.

In the government-wide Statement of Net Position only one column of numbers has been presented. The amounts are presented on a consolidated basis and represent only governmental type activities.



**JEFFERSON COUNCIL ON AGING, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
*June 30, 2017*

NOTE 1 – PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

***Government-Wide Financial Statements - Continued***

The Statement of Net Position has been prepared on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Council's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of each of the Council's functions and significant programs. Many functions and programs are supported by general government revenues such as, intergovernmental revenues, property taxes, and unrestricted public support, particularly if the function or program has a net cost. The Statement of Activities begins by presenting gross direct and indirect expenses that include depreciation, and then reduces the expenses by related program revenues, such as charges for services, operating and capital grants, and contributions, to derive the net cost of each function or program. Program revenues must be directly associated with the function or program to be used to directly offset its costs. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants. For the year ended June 30, 2017, the Council did not receive any capital grants.

Direct expenses reported in the Statement of Activities are those that are clearly identifiable with a specific function or program, whereas the Council allocates its indirect expenses among various functions and programs in accordance with the Uniform Guidance. The Statement of Activities shows this allocation in a separate column labeled "indirect expenses", GOEA provides administrative grant funds to help the Council pay for a portion of its indirect costs. As a result, only the indirect costs in excess of the GOEA administrative funds are allocated to the Council's other functions and programs.

In the Statement of Activities, charges for services represent program revenues obtained by the Council when it renders services provided by a specific function or program to people or other entities. Contributions, property taxes, grants, interest income, special event, fundraising, and miscellaneous revenues that are not properly included among program revenues are reported instead as general revenues in this statement. Special items, if any, are significant transactions within the control of management that are either unusual in nature or infrequent in occurrence, and are separately reported below general revenues. There were no special items this year.

**JEFFERSON COUNCIL ON AGING, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
*June 30, 2017*

**NOTE 1 – PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

***Fund Financial Statements***

The fund financial statements present financial information that is very similar to that which was included in the general-purpose financial statements issued by governmental entities before GASB Statement No. 34 required the format change.

The daily accounts and operations of the Council continue to be organized using funds. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain governmental functions or activities. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, 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 are reported by generic classification within the financial statements.

The Council uses governmental fund types. The focus of the governmental funds' measurement (in the fund statements) is on determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than on net income. An additional emphasis is placed on major funds within the governmental fund types. 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 or type.

In addition, management may also choose to report any other governmental fund as a major fund if it believes the fund is particularly important to financial statement users. For this year, no additional funds were deemed to be major funds by management. The non-major funds are summarized by category or fund type into a single column in the fund financial statements.

Governmental fund equity is called the fund balance. Fund balance is further classified on a hierarchy that shows, from the highest to the lowest, the level or form of constraints on fund balance, and accordingly, the extent to which the Council is bound to honor them: nonspendable, restricted, committed, assigned and unassigned.

The following is a description of the governmental funds of the Council:

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

**JEFFERSON COUNCIL ON AGING, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
*June 30, 2017*

NOTE 1 – PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

***Fund Financial Statements - Continued***

Previous financial reporting standards do not include guidance for reporting those financial elements, which are distinct from assets and liabilities. Concepts Statement No. 4 also identifies net position as the residual of all other elements presented in a statement of financial position. This Statement amends the net asset reporting requirements in GASB Statement No. 34, Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets.

The following are brief descriptions of the programs that comprise the Council's General Fund:

Senior Health Insurance Information Program (SHIIP)

This program is used to account for the expenditures associated with the Council's sponsorship of SHIIP. This program provides health insurance counseling to seniors in Jefferson Parish.

Endowment

This fund is used to account for contributions and interest generated in the Endowment.

Fund Development

The purpose of this function is to initiate and maintain fundraising efforts within the community, as well as securing grants that would provide supplemental funding for various needed services for the elderly.

Transportation

These funds are used to operate the transportation program which provides nutrition and social rides to program participants. Any deficits incurred in this program are absorbed by the Council's discretionary funds.

**JEFFERSON COUNCIL ON AGING, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
*June 30, 2017*

NOTE I – PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

***Fund Financial Statements - Continued***

Local

The Council receives revenues that are not required to be accounted for in a specific program or fund. Accordingly, these revenues have been recorded in the local program of the General Fund. These funds are mostly unassigned, which means they may be used at management'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 expenditure, are generally recorded in the local program. Because these funds are mostly unassigned, they are often transferred to other programs and funds to eliminate deficits in cases where the expenditures of the other programs and funds exceeded their revenues.

Parish Council on Aging (PCOA)

Parish Council on Aging (PCOA) funds are appropriated for the Council by the Louisiana Legislature and remitted to the Council via the Governor's Office of Elderly Affairs (GOEA). The Council may use these "Act 735" funds at its discretion in any program provided the program is benefiting people who are at least 60 years old. In fiscal year 2017, the Council transferred its PCOA funds to Title III C Area Agency Administration, Title III B, Title III D, Title III E, Title V, SHIP, Fund Development, Senior Center, ADRC, SenioRx and General Fund to provide additional funds to pay for program expenditures.

***Other Major Governmental Funds***

Title III B - Supportive Services Fund

Title III B funds are provided by the United States Department of Health and Human Services - Administration on Aging to the Louisiana Governor's Office of Elderly Affairs which "passes through" the funds to the Council. The Title III B Supportive Services Fund accounts for funds used to provide various units of supportive social services to the elderly. GOEA has established the criteria for a qualifying unit of service for each Title III B program. Specific supportive social services include, among other things, in-home services, community services and legal assistance for the elderly.

**JEFFERSON COUNCIL ON AGING, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
*June 30, 2017*

NOTE 1 – PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

***Other Major Governmental Funds - Continued***

Title III C-1 - Congregate Meals Fund

Title III C-1 funds are provided by the United States Department of Health and Human Services - Administration on Aging to the Louisiana Governor's Office of Elderly Affairs which "passes through" the funds to the Council. The Title III C-1 Congregate Meals Fund accounts for funds used to provide nutritional, congregate meals to people age 60 or older in strategically located centers throughout Jefferson Parish.

Title III C-2 - Home Delivered Meals Fund

Title III C-2 funds are provided by the United States Department of Health and Human Services - Administration on Aging to the Louisiana Governor's Office of Elderly Affairs which "passes through" the funds to the Council. Title III C-2 Home Delivered Meals Fund accounts for funds used to provide nutritional meals to homebound people who are age 60 or older.

Title V - Senior Community Service Employment Program Fund

This Title V - Senior Community Service Employment Program Fund is used to account for the payment and reimbursement of expenses incurred in the operation of the Title V program. Included in these expenses are salaries paid for program participants whose salaries are being paid by funds provided through this program. The Council operates this program in Jefferson, St. Bernard, and Plaquemines Parishes.

Senior Center Fund

Senior Center funds are appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs, which "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 with the community.

***Non-Major Governmental Funds - Special Revenue Funds***

Title III C - Area Agency Administration Fund (AAA)

The Title III C - Area Agency Administration Fund is used to account for the administration of Special Programs for the Aging. Title III C - Area Agency Administration funds are provided by the United States Department of Health and Human Services - Administration on Aging to the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. These funds are used to pay for administrative costs associated with the Title III and Senior Center programs.

**JEFFERSON COUNCIL ON AGING, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
*June 30, 2017*

NOTE 1 – PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

***Non-Major Governmental Funds - Special Revenue Funds - Continued***

Supplemental Senior Center Fund

The Louisiana Legislature appropriated additional money for various councils on aging throughout the state to be used to supplement the primary grant for senior centers. The Council was one of the parish councils to receive a supplemental grant of \$233,320. The Governor's Office of Elderly Affairs provided these funds to the Council. For the year ended June 30, 2017, these funds included \$233,320 for senior center operations.

Nutritional Services Incentive Program Fund (NSIP)

The Nutritional Services Incentive Program Fund (NSIP) is used to account for the administration of NSIP funds provided by the Administration on Aging, U.S. Department of Health and Human Services, to GOEA, which in turn "passes through" the funds to the Council. GOEA distributes NSIP funds to each parish council on aging in Louisiana based on how many meals each council on aging served in the previous year in relation to the total meals served statewide by all councils. Using this formula, the Council receives from GOEA approximately 60 cents per congregate and home-delivered meal it serves. The primary purpose of the NSIP reimbursement is to provide money to buy food that will be used in the preparation of congregate and home-delivered meals under nutrition service programs. The food that is purchased for these purposes must be of United States origin or be commodities from the United States Department of Agriculture. The fund balance of \$207,856 at June 30, 2017 is to be used to fund the raw food costs components for the year ending June 30, 2018.

Title III D - Disease Prevention and Health Promotion Services Fund

The Title III D Fund accounts for funds used for wellness, which includes disease prevention and health promotion activities.

Title III E - National Family Caregiver Support Fund

The Title III E Fund accounts for funds relating to the National Family Caregiver Support program. The National Family Caregiver Support program is designed to provide multifaceted systems of support services for family caregivers and for grandparents or older individuals who are relative caregivers. This program targets older, low-income individuals. Specific types of services that can be provided by this program include: Adult Day Care, Adult Health Care, Material Aid, Case Management, Personal Care, Counseling, Support Groups, Respite Care, Sitter Service, and Information and Assistance. 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 (1) lives with the child, (2) is the primary caregiver, and (3) has a legal relationship to the child or is raising the child informally.

**JEFFERSON COUNCIL ON AGING, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
*June 30, 2017*

NOTE 1 – PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

***Non-Major Governmental Funds - Special Revenue Funds – Continued***

Entergy Fund

The Council received funding from Entergy to purchase hardware and software related to electronic scanning and touchscreen enablement for the monitoring of senior member activities at the Senior Centers. The fund balance of \$11,858 at June 30, 2017 is to be used to fund future software licensing and additional hardware for the year ending June 30, 2018.

Aging and Disability Resource Center Grant Fund (ADRC)

The Council entered into a contract with the GOEA to provide information and assistance that would improve the health, independence and quality of life to adults living with disabilities, senior citizens, or caregivers. The contract included the parishes of Jefferson, Orleans, St. Bernard, and Plaquemines.

GiveNOLA Fund

The Council received funding of \$59 through GiveNOLA donations to provide assistance to the Title III C-1 and C-2 programs.

Senior Computer & Digital Literacy Fund (C&D Literacy)

The C&D Literacy Fund has a fund balance of \$320 at June 30, 2017 to provide for computer and digital literacy programs for the year ending June 30, 2018.

Medicare Improvements for Patients and Providers Act Fund (MIPPA)

The Council received funding of \$10,050 to provide outreach services and assistance to seniors in the enrollment process for the Low Income Subsidy program, Medicare Savings program, and Medicare Part D program.

Private Pay Meals

The Private Pay Meals Fund has a fund balance of \$62,252 at June 30, 2017 to provide assistance to the Council's Title III C-2 Program.

Jefferson Parish (Pass Through) CDBG – Meals on Wheels Program

The Council received funding of \$53,948 from Jefferson Parish through a CDBG grant for the Meals on Wheels Program to provide assistance to the Council's Title III C-2 program.

**JEFFERSON COUNCIL ON AGING, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
*June 30, 2017*

NOTE 1 – PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

***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 - Accrual Basis***

The government-wide financial statements are prepared using the economic resources measurement 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.

***Fund Financial Statements - Modified Accrual Basis***

Governmental fund level financial statements are reported using a current financial resources measurement focus and the modified accrual basis of accounting. A current financial resources measurement focus means that only current assets and current liabilities are generally included on the fund balance sheet. The operating statements of the funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Council considers revenues to be available if they are collected within 60 days of year end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred, if measurable, except for the following: (1) unmatured principal and interest on long-term debt, if any, are recorded when due, and (2) claims, judgments, and compensated absences are recorded as expenditures when paid with expendable available financial resources. Depreciation is a cost that is not recognized in the governmental funds.

***Interfund Activity***

In the fund 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 repaid. In the government-wide financial statements, transfers between funds are netted against one another as part of the reconciliation of the change in fund balances in the fund financial statements to the change in net position.



**JEFFERSON COUNCIL ON AGING, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
*June 30, 2017*

NOTE 1 – PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

***Cash and Cash Equivalents***

Cash and cash equivalents includes not only currency on hand, but also demand deposits and money market funds with banks or other financial institutions. For purposes of the Statement of Net Position, restricted cash are amounts received or earned by the Council with an explicit understanding between the Council and the resource provider that the resource would be used for a specific purpose.

***Receivables***

The financial statements for the Council do not contain an allowance for uncollectible receivables because management believes all amounts will be collected. However, if management becomes aware of information that would change its assessment about the collectability of any receivable, management would write off the receivable as a bad debt at that time.

***Investments***

GASB Statement No. 31 requires the Council to report its investments at fair value in the Statement of Net Position, except for investments in non-participating interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates.

This type of investment is reported using a cost-based measure, provided the fair market value of the contract is not significantly affected by the impairment of the credit standing of the issuer or other factors. As of June 30, 2017 the Council had \$127,000 of certificates of deposit that were non-participating interest-earning investment contracts.

***Prepaid Expenses/Expenditures***

Prepaid expenses include amounts paid in advance for goods and services. Prepaid expenses are shown as either current or other assets on the government-wide Statement of Net Position, depending on when management expects to realize their benefits. In the fund financial statements, the Council has elected not to include amounts paid for future services as expenditures until those services are consumed. This method of accounting for prepaid expenditures helps assure the Council's management that costs incurred will be reported in accordance with the Council's cost reimbursement grants. These types of grants do not permit the Council to obtain reimbursement for qualified expenditures until the goods and services relating to them are consumed. As a result, the prepaid expenditures are shown as an asset on the balance sheet of the fund financial statements until they are consumed. In addition, a corresponding amount of the fund balance of the General Fund has been shown as nonspendable to reflect the amount of fund balance not currently available for expenditures.

**JEFFERSON COUNCIL ON AGING, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
*June 30, 2017*

NOTE 1 – PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

**Capital Assets**

The accounting and reporting treatment used for capital assets depends on whether the capital assets are reported in the government-wide financial statements or the fund financial statements.

Government-Wide Financial Statements

Capital assets are long-lived assets 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 Position. 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. Capital assets will also include major repairs to equipment and vehicles that significantly extend the asset's useful life. Routine repairs and maintenance are expensed as incurred.

For capital assets recorded in the government-wide financial statements, depreciation is computed and recorded using the straight-line method for the asset's estimated useful life. The Council follows a guideline issued by the State of Louisiana's Office of Statewide Reporting and Accounting to establish the useful lives of the various types of capital assets that are depreciated and the method used to calculate annual depreciation. Using this guideline, the estimated useful lives of the various classes of depreciable capital assets are as follows:

Furniture and equipment	3 to 12 years
Vehicles	5 years

When calculating depreciation, the State's guideline assumes that capital assets will not have any salvage value and that a full year's worth of depreciation will be taken in the year the capital assets are placed in service or disposed.

Fund Financial Statements

In the fund financial statements, capital assets used in the Council's operations are accounted for as capital outlay expenditures of the governmental fund that provided the resources to acquire the assets. Depreciation is not computed or recorded on capital assets for purposes of the fund financial statements.

**JEFFERSON COUNCIL ON AGING, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
*June 30, 2017*

NOTE 1 – PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

***Non-Current (Long-term) Liabilities***

The accounting treatment of non-current liabilities depends on whether they are reported in the government-wide or fund financial statements. In the government-wide financial statements, all non-current liabilities that will be repaid from governmental resources are reported as liabilities in the government-wide statements. In the fund financial statements, non-current liabilities for governmental funds are not reported as liabilities or presented anywhere else in these statements. The Council has no non-current liabilities at June 30, 2017.

***Compensated Absences***

The Council's policies for vacation leave permit employees to accumulate earned but unused vacation leave. Accordingly, a liability for the unpaid vacation leave has been recorded in the fund financial statements.

The amount accrued as the compensated absence liability was determined using the number of vested vacation hours for each employee multiplied by the employee's wage rate in effect as of June 30, 2017.

The Council's sick leave policy does not provide for the vesting of sick leave. There are no sick leave amounts paid for any unused sick leave upon termination of employment. Accordingly, no amounts have been accrued as unpaid compensated absences in the government-wide financial statements relative to sick leave.

***Advances from Funding Agency***

Advances from funding agency represent unexpended balances of grants awarded to the Council that are required to be returned to the funding agency at the end of the grant period. Grant funds due back to the funding agency are recorded as a liability when the amount due becomes known, normally when a final accounting is submitted to the funding agency. The Council had advances from funding agencies in the amount of \$13,732 payable at June 30, 2017.

***Net Position in the Government-Wide Financial Statements***

In the government-wide Statement of Net Position, the Net Position amount is classified and displayed in three components:

- Net investment in capital assets - This component 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 capital assets.

**JEFFERSON COUNCIL ON AGING, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
*June 30, 2017*

NOTE 1 – PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

***Net Position in the Government-Wide Financial Statements - Continued***

- Restricted net position - This component consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net position - This component consists of all other net position that does not meet the definition of "restricted" or "net investment in capital assets".

When both restricted and unrestricted resources are available for use in a specific program or for a specific purpose, the Council's policy is to use restricted resources first to finance its activities, except for nutrition services. When providing nutrition services, revenues earned by the Council under its NSIP contract with GOEA can only be used to pay for the raw food component of each meal that is bought and served to a person eligible to receive a meal under one of the nutrition programs. The Council's management has discretion as to how and when to use the NSIP revenues when paying for nutrition program costs.

Quite often, unrestricted resources are available for use that must be consumed or they will have to be returned to the grantor agency. In such cases it is better for management to elect to apply and consume the unrestricted resources before using the restricted resources. As a result, in this case, the Council will depart from its usual policy of using restricted resources first.

***Fund Equity - Fund Financial Statements***

Governmental fund equity is classified as fund balance. The Council applies GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purpose for which resources can be used:

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Management has classified \$16,225 of prepaid expenditures as being nonspendable as this item is not expected to be converted to cash.
- Restricted: This classification includes amounts for which constraints have been placed on the use of resources are either:
  - Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or
  - Imposed by law through constitutional provisions or enabling legislation.

**JEFFERSON COUNCIL ON AGING, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
*June 30, 2017*

NOTE 1 – PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

***Fund Equity - Fund Financial Statements - Continued***

Unspent NSIP funds of \$207,856 within the Council's Fund have also been classified as restricted because of spending constraints placed upon this money by GOEA. Endowment funds of \$132,308 have been classified as restricted due to constraints of the donor. GiveNOLA funds of \$19,882, C & D Literacy funds of \$320, JP - CDBG – Meals on Wheels Program funds of \$53,948, Private Pay Meals funds of \$62,252 and Entergy funds of \$11,858 have been classified as restricted as well due to constraints placed upon this money by the donors.

- **Committed:** This classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (resolution) of the Council's Board of Directors, which is the Council's highest level of decision-making authority. These amounts cannot be used for any other purpose unless the Board of Directors removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Council did not have any committed resources as of year-end.
- **Assigned:** This classification includes spendable amounts that are reported in governmental funds other than the General Fund, that are neither restricted nor committed, and amounts in the General Fund that are intended to be used for a specific purpose in accordance with the provisions of GASB Statement No. 54. The intent of an assigned fund balance should be expressed by either the Council's Board of Directors, or a subordinate high-level body, such as a finance committee, or an official, such as the executive director, that has the authority to assign amounts to be used for specific purposes. The Council's management assigned \$500,000 of funds at year ended June 30, 2017.
- **Unassigned:** This classification is the residual fund balance for the General Fund. It also represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

When fund balance resources are available for a specific purpose in multiple classifications, the Council would use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed. However, it reserves the right to selectively spend unassigned resources first and to defer the use of other classified funds.

**JEFFERSON COUNCIL ON AGING, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
*June 30, 2017*

NOTE 1 – PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

***Management's Use of Estimates***

The preparation of financial statements in conformity with United States 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.

***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 a function or program. Indirect expenses are recorded as direct expenses of the Administration function. GOEA provides funds to partially subsidize the Council's Administration function. The unsubsidized net cost of the Administration function is allocated using a formula based primarily on the relationship the direct cost a program bears to the direct cost of all programs. There are some programs that cannot absorb any indirect expense allocation according to their grant, contract, or donor restrictions.

***Elimination and Reclassifications***

In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

NOTE 2 – REVENUE RECOGNITION

Revenues are recorded in the government-wide financial 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 (charges for services), and interest income are usually both measurable and available. However, the timing and amounts of the receipts of public support, fund-raisers, and miscellaneous revenues are often difficult to measure; therefore, they are generally recorded as revenue in the period received.

**JEFFERSON COUNCIL ON AGING, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
*June 30, 2017*

**NOTE 3 – CASH AND CASH EQUIVALENTS AND INVESTMENTS**

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 included FDIC insurance and securities 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 political subdivisions or with an unaffiliated bank or with a trust company for the account of the political subdivision.

The year-end bank balances of deposits and the carrying amounts as shown on the Statement of Net Position and Governmental Fund Balance Sheet are as follows:

	Bank Balances	Reported Balances
Cash	\$ 928,033	\$ 907,441
Certificates of deposit	127,000	127,000
Total	\$ 1,055,033	\$ 1,034,441

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 written a policy for custodial credit risk. As of June 30, 2017, approximately \$0 of the Council's bank balances of \$1,055,033 was exposed to custodial credit risk. These deposits were either insured or primarily collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Council's name.

A reconciliation of deposits and investments as shown in the combined balance sheet is as follows:

Cash on hand	\$ 3,800
Reported amount of deposits	1,030,641
Total	\$ 1,034,441
Classified as:	
Cash and cash equivalents	\$ 902,118
Restricted assets:	
Cash and cash equivalents	5,323
Investments (certificate of deposit)	127,000
Total	\$ 1,034,441

**JEFFERSON COUNCIL ON AGING, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
*June 30, 2017*

NOTE 3 – CASH AND CASH EQUIVALENTS AND INVESTMENTS - Continued

**Short-term Investments**

The Council's primary purpose for investing is to earn interest income on money that management has determined to be in excess of immediate cash needs. Although it is not required by law to comply with the State of Louisiana's investment laws, the Council's management has elected to follow Louisiana Revised Statute 33:2955, which lists the types of investments in which a political subdivision may invest its temporarily idle funds. As of June 30, 2017, the Council had invested \$127,000 in a non-negotiable certificate of deposit. This certificate of deposit was insured 100% by federal depository insurance.

NOTE 4 – ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2017 were as follows:

	<u>GOEA</u>	<u>Jefferson Parish</u>	<u>Other</u>	<u>Total Receivables</u>
General Fund	\$ -	\$ 14,182	\$ 25	\$ 14,207
Local Fund	-	197,318	-	197,318
J.P. - CDBG – Meals on Wheels Program	-	50,000	-	50,000
Title III C-1 Congregate Meals Fund	18,187	8,650	-	26,837
Title III C-2 Home Delivered Meals Fund	-	34,600	-	34,600
Title III D – Disease Prevention and Health Promotion Services Fund	5,842	-	-	5,842
MIPPA	300	-	-	300
Title V Senior Community Service Employment Program Fund	54,039	-	-	54,039
	<u>\$ 78,368</u>	<u>\$ 304,750</u>	<u>\$ 25</u>	<u>\$ 383,143</u>

NOTE 5 – CHANGES IN CAPITAL ASSETS AND ACCUMULATED DEPRECIATION

A summary of changes in capital assets and accumulated depreciation is as follows:

<u>Capital Assets Being Depreciated</u>	<u>Balances 7/1/2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balances 6/30/2017</u>
Capital Assets				
Furniture and equipment	\$ 312,022	\$ 1,099	\$ (3,400)	\$ 309,721
Vehicles	<u>349,484</u>	<u>-</u>	<u>-</u>	<u>349,484</u>
Total Capital Assets	661,506	1,099	(3,400)	659,205
Less Accumulated Depreciation				
Furniture and equipment	(251,886)	(19,751)	3,400	(268,237)
Vehicles	<u>(328,401)</u>	<u>(4,600)</u>	<u>-</u>	<u>(333,001)</u>
Total Accumulated Depreciation	<u>(580,287)</u>	<u>(24,351)</u>	<u>3,400</u>	<u>(601,238)</u>
Capital Assets, Net of Depreciation	<u>\$ 81,219</u>	<u>\$ (23,252)</u>	<u>\$ -</u>	<u>\$ 57,967</u>



**JEFFERSON COUNCIL ON AGING, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
*June 30, 2017*

**NOTE 5 – CHANGES IN CAPITAL ASSETS AND ACCUMULATED DEPRECIATION - Continued**

Depreciation expense of \$24,351 was charged to governmental activities as follows:

Health, Welfare, and Social Services:

Supportive Services:	
Recreation and Education	\$ 1,111
Transportation	4,600
Information and Assistance	5,569
Senior Centers	9,596
Administration	<u>3,475</u>
Total	<u>\$ 24,351</u>

**NOTE 6 – GOVERNMENT FUND - GENERAL FUND PROGRAM - LOCAL ENDOWMENT**

This represents funds that are subject to restrictions of the donor requiring in perpetuity that the principal be invested in order to generate income sufficient to supplement funding of existing programs operated by the Council, or to create new programs, as authorized by the Board of Directors. At this time, the Board of Directors has agreed to reinvest earnings generated from the Endowment principal into the Endowment principal to facilitate the growth of principal. The balance restricted for endowment totaled \$132,308 at June 30, 2017.

**NOTE 7 – GOVERNMENT FUND - GENERAL FUND PROGRAM - LOCAL WORKING CAPITAL RESERVE**

This represents funds that will be used to phase out programs in the event normal funding is delayed or canceled by either legislative action or policy changes. The funds may be used to cover short-term emergencies. The working capital assigned totaled \$500,000 at June 30, 2017.

**NOTE 8 – FUND BALANCES - FUND FINANCIAL STATEMENTS**

As of June 30, 2017, six special revenue funds had a remaining fund balance. Usually, the fund balances of the special revenue funds are cleared out as of June 30, 2017 to comply with the administration and accounting policies of the grantor agencies that have awarded the Council certain grants. However, there are exceptions to these policies.

The Council has \$207,856 of fund balance in the Nutritional Services Incentive Program Fund. The fund balance will be used to fund the raw food cost components for the year ending June 30, 2018.

The Council had \$62,252 of fund balance in the Private Pay Meals Fund. The fund balance will be used to help fund the Title III C-2 program.

**JEFFERSON COUNCIL ON AGING, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
*June 30, 2017*

NOTE 8 – FUND BALANCES - FUND FINANCIAL STATEMENTS - Continued

The Council has \$19,882 of fund balance in the GiveNOLA Fund. The fund balance will be used to fund the raw food cost components for the year ending June 30, 2018.

The Council also has \$11,858 of fund balance in the Entergy Fund. The fund balance will be used as needed to fund computer equipment and licensing for the year ending June 30, 2018.

The Council has \$320 of fund balance in the C & D Literacy Fund. This fund balance will be used as needed to fund the C & D Literacy programs in the year ending June 30, 2018.

The Council has \$53,948 of fund balance in JP - CDBG – Meals on Wheels Program. This fund balance will be used as needed to fund the Council’s Title III C-2 program.

NOTE 9 – IN-KIND CONTRIBUTIONS

Jefferson Council on Aging, Inc. received in-kind contributions during the year in the nature of contributed facilities. Contributed facilities were recorded at the estimated rental value of the facilities and presented in this report as revenue. Related expenditures, equal to the in-kind revenues, have also been presented, thereby producing no effect on excess of revenues over expenditures.

Donated personal services of volunteers and contributed goods are recorded as revenues and expenditures at estimated fair values based upon valuation rates and job classifications developed by the Council.

For the year ended June 30, 2017, in-kind revenues and expenditures were recorded by funds as follows:

	<u>Fair Value of Rent</u>	<u>Donations and Contributions</u>	<u>Total</u>
Special Revenue Funds			
Title III C-1 - Congregate Meals Fund	\$ 220,000	\$ 4,245	\$ 224,245
Title III C-2 - Home Delivered Meals Fund	-	35,775	35,775
Senior Center Fund	<u>635,000</u>	<u>221,519</u>	<u>856,519</u>
Total Special Revenue Funds	<u>855,000</u>	<u>261,539</u>	<u>1,116,539</u>
Totals	<u>\$ 855,000</u>	<u>\$ 261,539</u>	<u>\$ 1,116,539</u>

The following in-kind services were not reported in the financial statements because they did not meet the criteria of professional services:

Home Delivered Meals – Volunteer Services – Drivers	\$ 35,775
Congregate Volunteers	4,245
General Volunteers – Activity Leaders	<u>221,519</u>
Total	<u>\$ 261,539</u>

**JEFFERSON COUNCIL ON AGING, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
*June 30, 2017*

**NOTE 10 – CHANGES IN COMPENSATED ABSENCES**

For purposes of the Statement of Net Position, the Council has presented all of its accumulated unpaid vacation leave as a current liability. This is because vested amounts are expected to be used before the end of the next fiscal year. The following is a schedule of the net change that occurred in the Council's compensated absences account during the year ended June 30, 2017.

Balance at July 1, 2016	\$ 32,417
Net increase in vested leave	<u>6,181</u>
Balance at June 30, 2017	<u>\$ 38,598</u>

**NOTE 11 – OPERATING LEASES**

The Jefferson Council on Aging, Inc. leases office space. The lease expires July 31, 2018. Obligations under this lease are payable as follows: \$84,980 in fiscal year end 2018, and \$7,082 in fiscal year end 2019.

**NOTE 12 – BOARD OF DIRECTORS COMPENSATION**

The Board of Directors is a voluntary board. Board members do not receive compensation. Board members can submit an expense request form for out-of-pocket expenses that are in accordance with the Council's travel reimbursement policy.

**NOTE 13 – INCOME TAX STATUS**

The Council, a non-profit corporation, is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code, and as an organization that is not a private foundation as defined in Section 509(a) of the Code. The Council is also exempt from Louisiana income tax.

The Council is not required to file a Form 990 because it has been determined to be an "affiliate of a governmental unit" within the meaning of Section 4 of Revenue Procedure 95-48, 1995-2 CB. 418. However, the Council has voluntarily decided to file a Form 990 for the year ended June 30, 2017 in order to pursue additional grant funding.

The Council recognizes the tax benefit from uncertain tax positions only if it is "more likely than not" the tax position will be sustained on examination by the taxing authorities. To the extent the Council's assessment of such tax positions change, the change will be recorded in the period in which the determination is made. No adjustments were required for the year ended June 30, 2017. The June 30, 2014, 2015 and 2016 Form 990's remain subject to examination by the taxing authorities. The June 30, 2017 Form 990 has not been filed as of the audit report date.

**JEFFERSON COUNCIL ON AGING, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
*June 30, 2017*

**NOTE 14 – JUDGMENTS, CLAIMS, AND SIMILAR CONTINGENCIES**

There is one litigation case pending against the Council as of June 30, 2017. The Management of the Council believes that any potential lawsuit is adequately covered by the Council's insurance or resolved without any material impact upon the Council's financial statements. The Council is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; officer and directors' liability; business interruption; natural disasters; and volunteer liability. Except for business interruption and certain acts of God, the Council has purchased commercial insurance, with deductibles ranging from \$0 to \$1,000, to cover or reduce the risk of loss that might arise should one of these incidents occur. There have been no significant reductions in coverage from the prior year. No settlements were made during the current or prior three fiscal years that exceeded the Council's insurance coverage.

**NOTE 15 – CONTINGENCIES - GRANT PROGRAMS**

The Council participates in a number of state and federal grant 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 as of June 30, 2017 might 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 statements for such contingencies. Audits of prior years have not resulted in any significant 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 16 – ECONOMIC DEPENDENCY**

The Council receives the majority of its revenue from a Parish property tax assessment and through grants administered by the Louisiana Governor's Office of Elderly Affairs (GOEA). The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of funds the Council receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will significantly affect the amount of funds the Council will receive in fiscal year 2018 relating to its grant awards.

**NOTE 17 – RELATED PARTY TRANSACTIONS**

There were no related party transactions during the year ended June 30, 2017.

**JEFFERSON COUNCIL ON AGING, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
*June 30, 2017*

NOTE 18 – INTERFUND TRANSFERS

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

	Operating Transfers	
	In	Out
<b><u>General Fund</u></b>		
SHIIP	\$ 22,189	\$ -
Fund Development	3,033	-
Local	10,887	197,319
PCOA	-	89,242
<b><u>Major Funds</u></b>		
Title III B – Supportive Services Fund	151,593	-
Title III C-1 – Congregate Meals Fund	6,849	49,733
Title III C-2 – Home Delivered Meals Fund	167,389	-
Title V – Senior Community Service Employment Program	14,652	-
Senior Center Fund	235,127	-
<b><u>Special Revenue Funds</u></b>		
Title III C – Area Agency Administration Fund	18,345	-
NSIP Fund	-	25,949
Title III E – National Family Caregiver Support Fund	1	-
Supplemental Senior Center Fund	-	233,320
MIPPA	-	10,050
Aging and Disability Resource Center Grant Fund	1,137	-
Senior Rx Fund	6,713	-
GiveNOLA	-	34,237
Title III D – Disease Prevention and Health Promotion Services Fund	1,935	-
Total	<b>\$ 639,850</b>	<b>\$ 639,850</b>

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.

NOTE 19 - INTERFUND RECEIVABLES AND PAYABLES - FUND FINANCIAL STATEMENTS

Because the Council receives its grant revenues primarily on a cost reimbursement basis, it has to pay for costs using its General Fund money and then request reimbursement under the various grant programs. As a result, the manner in which cash is spent and received creates short-term interfund loans.

**JEFFERSON COUNCIL ON AGING, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
*June 30, 2017*

NOTE 19 - INTERFUND RECEIVABLES AND PAYABLES - FUND FINANCIAL STATEMENTS  
- Continued

A summary of these interfund loans as of June 30, 2017 is as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 100,269	\$ 454,643
Total for the General Fund	100,269	454,643
Title III B - Supportive Services Fund	25,225	-
Title III C-1 – Congregate Meals Fund	-	15,289
Title III C-2 - Home Delivered Meals Fund	11,790	-
Title V – Senior Community Service Employment Program	-	30,137
Senior Center Fund	40,535	-
Other Governmental Funds	<u>377,094</u>	<u>54,844</u>
Totals	<u>\$ 554,913</u>	<u>\$ 554,913</u>

The balances above resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

NOTE 20 – SUBSEQUENT EVENTS

The Council has evaluated subsequent events through the date the financial statements were available to be issued, which corresponds with the date of the independent auditors' report. No material subsequent events have occurred since June 30, 2017, that requires recognition or disclosure in these financial statements.

**SUPPLEMENTARY FINANCIAL INFORMATION  
REQUIRED BY GASB STATEMENT NO. 34**

**JEFFERSON COUNCIL ON AGING, INC.**

REQUIRED SUPPLEMENTARY INFORMATION -  
BUDGETARY COMPARISON SCHEDULE -  
GENERAL FUND

For the Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 531,000	\$ 531,000	\$ 571,464	\$ 40,464
Charges for services	390,647	390,647	262,253	(128,394)
Interest income	-	-	6,491	6,491
Public support	-	-	150,943	150,943
Miscellaneous	<u>59,720</u>	<u>59,720</u>	<u>180</u>	<u>(59,540)</u>
Total Revenues	<u>981,367</u>	<u>981,367</u>	<u>991,331</u>	<u>9,964</u>
<b>EXPENDITURES</b>				
Current:				
Health and welfare:				
Salaries	239,625	239,625	285,953	(46,328)
Fringe	46,488	46,488	44,901	1,587
Travel	10,575	10,575	3,002	7,573
Operating services	209,031	209,031	183,199	25,832
Operating supplies	14,170	14,170	48,043	(33,873)
Other costs	190,000	190,000	178,180	11,820
Capital outlay	<u>-</u>	<u>-</u>	<u>1,099</u>	<u>(1,099)</u>
Total Expenditures	<u>709,889</u>	<u>709,889</u>	<u>744,377</u>	<u>(34,488)</u>
Excess of Revenues Over Expenditures	<u>271,478</u>	<u>271,478</u>	<u>246,954</u>	<u>(24,524)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	42,078	42,078	36,109	(5,969)
Operating transfers out	<u>(313,556)</u>	<u>(313,556)</u>	<u>(286,561)</u>	<u>26,995</u>
Total Other Financing Uses	<u>(271,478)</u>	<u>(271,478)</u>	<u>(250,452)</u>	<u>21,026</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>(3,498)</u>	<u>\$ (3,498)</u>
<b>Fund Balance</b>				
Beginning of year			<u>847,801</u>	
End of year			<u>\$ 844,303</u>	



**JEFFERSON COUNCIL ON AGING, INC.**

REQUIRED SUPPLEMENTARY INFORMATION -  
BUDGETARY COMPARISON SCHEDULE -  
TITLE III B – SUPPORTIVE SERVICES FUND  
For the Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 394,350	\$ 394,350	\$ 388,966	\$ (5,384)
Public support	-	-	594	594
Total revenues	<u>394,350</u>	<u>394,350</u>	<u>389,560</u>	<u>(4,790)</u>
<b>EXPENDITURES</b>				
Current:				
Health and welfare:				
Salaries	129,060	129,060	107,621	21,439
Fringe	25,046	25,046	24,458	588
Travel	3,531	3,531	2,841	690
Operating services	24,515	24,515	26,570	(2,055)
Operating supplies	5,051	5,051	2,634	2,417
Other costs	<u>505,626</u>	<u>505,626</u>	<u>377,029</u>	<u>128,597</u>
Total Expenditures	<u>692,829</u>	<u>692,829</u>	<u>541,153</u>	<u>151,676</u>
Deficiency of Revenues Over Expenditures	(298,479)	(298,479)	(151,593)	146,886
<b>OTHER FINANCING SOURCES</b>				
Operating transfers in	<u>298,479</u>	<u>298,479</u>	<u>151,593</u>	<u>(146,886)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>FUND BALANCE</b>				
Beginning of year			-	
End of year			<u>\$ -</u>	

**JEFFERSON COUNCIL ON AGING, INC.**

REQUIRED SUPPLEMENTARY INFORMATION –  
 BUDGETARY COMPARISON SCHEDULE -  
 TITLE III C-1 – CONGREGATE MEALS FUND  
 For the Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 380,334	\$ 380,334	\$ 404,668	\$ 24,334
Public Support	12,674	12,674	10,299	(2,375)
In-kind contributions	<u>220,000</u>	<u>220,000</u>	<u>224,245</u>	<u>4,245</u>
Total Revenues	<u>613,008</u>	<u>613,008</u>	<u>639,212</u>	<u>26,204</u>
<b>EXPENDITURES</b>				
Current:				
Health and welfare:				
Salaries	132,781	132,781	133,171	(390)
Fringe	25,767	25,767	21,944	3,823
Travel	322	322	362	(40)
Operating services	25,418	25,418	30,524	(5,106)
Operating supplies	2,754	2,754	2,054	700
Meals	205,966	205,966	184,028	21,938
In-kind expenditures	<u>220,000</u>	<u>220,000</u>	<u>224,245</u>	<u>(4,245)</u>
Total Expenditures	<u>613,008</u>	<u>613,008</u>	<u>596,328</u>	<u>16,680</u>
Excess of Revenues Over Expenditures	-	-	42,884	42,844
<b>OTHER FINANCING SOURCES</b>				
Operating transfers in	-	-	6,849	6,849
Operating transfers out	<u>-</u>	<u>-</u>	<u>(49,733)</u>	<u>(49,733)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>FUND BALANCE</b>				
Beginning of year			<u>-</u>	
End of year			<u>\$ -</u>	

**JEFFERSON COUNCIL ON AGING, INC.**

REQUIRED SUPPLEMENTARY INFORMATION –  
 BUDGETARY COMPARISON SCHEDULE -  
 TITLE III C-2 – HOME DELIVERED MEALS FUND  
 For the Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 790,864	\$ 790,864	\$ 812,530	\$ 21,666
Public support	80,000	80,000	70,114	(9,886)
In-kind contributions	25,000	25,000	35,775	10,775
Total Revenues	<u>895,864</u>	<u>895,864</u>	<u>918,419</u>	<u>22,555</u>
<b>EXPENDITURES</b>				
Current:				
Health and welfare:				
Salaries	283,860	283,860	272,199	11,661
Fringe	55,082	55,082	35,229	19,853
Travel	68,031	68,031	72,662	(4,631)
Operating services	35,586	35,586	45,694	(10,108)
Operating supplies	7,957	7,957	12,872	(4,915)
Other costs	-	-	1,260	(1,260)
Meals	691,205	691,205	610,117	81,088
In-kind expenditures	<u>25,000</u>	<u>25,000</u>	<u>35,775</u>	<u>(10,775)</u>
Total Expenditures	<u>1,166,721</u>	<u>1,166,721</u>	<u>1,085,808</u>	<u>80,913</u>
Deficiency of Revenues Over Expenditures	(270,857)	(270,857)	(167,389)	103,468
<b>OTHER FINANCING SOURCES</b>				
Operating transfers in	<u>270,857</u>	<u>270,857</u>	<u>167,389</u>	<u>(103,468)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>FUND BALANCE</b>				
Beginning of year			<u>-</u>	
End of year			<u>\$ -</u>	

**JEFFERSON COUNCIL ON AGING, INC.**  
 REQUIRED SUPPLEMENTARY INFORMATION -  
 BUDGETARY COMPARISON SCHEDULE -  
 TITLE V - SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM FUND  
 For the Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 623,749	\$ 623,749	\$ 565,744	\$ (58,005)
Total Revenues	<u>623,749</u>	<u>623,749</u>	<u>565,744</u>	<u>(58,005)</u>
<b>EXPENDITURES</b>				
Current:				
Health and welfare:				
Salaries	532,427	532,427	501,189	31,238
Fringe	52,792	52,792	49,808	2,984
Travel	5,150	5,150	2,920	2,230
Operating services	26,800	26,800	23,140	3,660
Operating supplies	4,000	4,000	2,139	1,861
Other costs	<u>2,580</u>	<u>2,580</u>	<u>1,200</u>	<u>1,380</u>
Total Expenditures	<u>623,749</u>	<u>623,749</u>	<u>580,396</u>	<u>43,353</u>
Deficiency of Revenues Over Expenditures	-	-	(14,652)	(14,652)
<b>OTHER FINANCING SOURCES</b>				
Operating transfers in	<u>-</u>	<u>-</u>	<u>14,652</u>	<u>14,652</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>FUND BALANCE</b>				
Beginning of year			<u>-</u>	
End of year			<u>\$ -</u>	

**JEFFERSON COUNCIL ON AGING, INC.**

REQUIRED SUPPLEMENTARY INFORMATION –  
BUDGETARY COMPARISON SCHEDULE -  
SENIOR CENTER FUND

For the Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 445,818	\$ 445,818	\$ 445,818	\$ -
In-kind contributions	<u>1,047,263</u>	<u>1,047,263</u>	<u>856,519</u>	<u>(190,744)</u>
Total Revenues	<u>1,493,081</u>	<u>1,493,081</u>	<u>1,302,337</u>	<u>(190,744)</u>
<b>EXPENDITURES</b>				
Current:				
Health and welfare:				
Salaries	412,504	412,504	401,267	11,237
Fringe	80,047	80,047	75,362	4,685
Travel	5,346	5,346	3,540	1,806
Operating services	122,336	122,336	143,215	(20,879)
Operating supplies	26,514	26,514	23,425	3,089
Other costs	34,000	34,000	34,136	(136)
In-kind expenditures	<u>1,047,263</u>	<u>1,047,263</u>	<u>856,519</u>	<u>190,744</u>
Total Expenditures	<u>1,728,010</u>	<u>1,728,010</u>	<u>1,537,464</u>	<u>190,546</u>
Deficiency of Revenues Over Expenditures	(234,929)	(234,929)	(235,127)	(198)
<b>OTHER FINANCING SOURCES</b>				
Operating transfers in	<u>234,929</u>	<u>234,929</u>	<u>235,127</u>	<u>198</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
<b>FUND BALANCE</b>				
Beginning of year			<u>-</u>	
End of year			<u>\$ -</u>	

**JEFFERSON COUNCIL ON AGING, INC.**  
**NOTE TO REQUIRED SUPPLEMENTARY INFORMATION**  
*June 30, 2017*

**NOTE I- BUDGETARY REPORTING**

The budget information presented in this section of required supplementary information applies to "major" governmental funds for which annual budgets were adopted. Budgetary information for "nonmajor" funds has not been included anywhere in these financial statements.

The Council follows these procedures in establishing the budgetary data that has been presented as required supplementary information in these financial statements.

- The Governor's Office of Elderly Affairs (GOEA) notifies the Council each year as to the funding levels for its programs.
- Management projects property tax revenues based on past trends and data available at the Parish Assessor's office to form expectations of future revenues.
- The revenue information supplied by GOEA and the Parish Assessor are considered by management along with revenue projections of grants from other agencies, program service fees, public support (including client contributions), interest income, and other miscellaneous sources.
- Expenditure projections are developed using historical information and changes to the upcoming year that management is aware of at the time of budget preparation.
- Once the information has been obtained to project revenues and expenditures, the Council's Executive Director prepares a proposed budget based on the projections. The proposed budget is reviewed and approved by the Council's Finance Committee before it is submitted to the Board of Directors for approval.
- The Board of Directors reviews and adopts the budget for the next fiscal year at a regularly scheduled board meeting held before May 31 of the current fiscal year.
- The adopted budget is forwarded to GOEA for compliance approval.
- Unused budget amounts lapse at the end of each fiscal year (June 30). However, if a grant or contract is not completed by June 30, management will automatically budget funds in the next fiscal year to complete the grant or contract. An example where this might occur is when vehicles are acquired under federal matching programs. The "match" might be made in one year and the vehicles delivered in another year.
- The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.

**JEFFERSON COUNCIL ON AGING, INC.**  
**NOTE TO REQUIRED SUPPLEMENTARY INFORMATION - CONTINUED**  
*June 30, 2017*

NOTE I- BUDGETARY REPORTING - CONTINUED

Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts. Management did not amend the Council's budget during the year ended June 30, 2017.

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

The Council may transfer funds between line items in its budget as often as required but must obtain compliance approval from the Governor's Office of Elderly Affairs (GOEA) for funds received under grants from this agency. As part of its grant compliance, GOEA requires the Council to amend its budget in cases where actual costs for a particular line item exceed the budgeted amount by more than 10%, unless unrestricted funds are available to "cover" the overrun.

Expenditures cannot exceed budgeted revenues on an individual fund level, unless a large enough fund balance exists to absorb the budgeted operating deficit.

The Council is not required by state or local law to prepare a budget for every program or activity it conducts. Accordingly, some activities may not be budgeted, particularly if they are deemed to be immaterial by management.

**SUPPLEMENTARY INFORMATION REQUIRED BY  
THE GOVERNOR'S OFFICE OF ELDERLY AFFAIRS**



**JEFFERSON COUNCIL ON AGING, INC.**  
**COMBINING BALANCE SHEET - GOVERNMENTAL FUND -**  
**GENERAL FUND PROGRAMS**  
*June 30, 2017*

	SHIIP	Endowment	Fund Development	Transportation
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Accounts receivable	-	-	-	-
Prepaid expenditures	-	-	-	2,035
Due from other funds	573	-	2,642	9,544
Restricted assets:				
Cash and cash equivalents	-	5,323	-	-
Investments	-	127,000	-	-
	-	127,000	-	-
Total assets	\$ 573	\$ 132,323	\$ 2,642	\$ 11,579
<b>LIABILITIES AND FUND BALANCE</b>				
<b>LIABILITIES</b>				
Accounts payable and accrued expenditures	\$ 573	\$ -	\$ 2,642	\$ 11,579
Due to other funds	-	15	-	-
	-	15	-	-
Total liabilities	573	15	2,642	11,579
<b>FUND BALANCE</b>				
Nonspendable	-	-	-	2,035
Restricted	-	132,308	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	(2,035)
	-	-	-	(2,035)
Total fund balance	-	132,308	-	-
Total liabilities and fund balance	\$ 573	\$ 132,323	\$ 2,642	\$ 11,579

<u>Local</u>	<u>PCOA</u>	<u>Total General Fund</u>
\$ 902,118	\$ -	\$ 902,118
211,525	-	211,525
14,190	-	16,225
87,510	-	100,269
-	-	5,323
-	-	127,000
<u>\$ 1,215,343</u>	<u>\$ -</u>	<u>\$ 1,362,460</u>

\$ 48,720	\$ -	\$ 63,514
454,628	-	454,643
503,348	-	518,157
14,190	-	16,225
-	-	132,308
500,000	-	500,000
197,805	-	195,770
711,995	-	844,303
<u>\$ 1,215,343</u>	<u>\$ -</u>	<u>\$ 1,362,460</u>

**JEFFERSON COUNCIL ON AGING, INC.**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - GOVERNMENTAL FUND - GENERAL FUND PROGRAMS**  
*For the Year Ended June 30, 2017*

	<u>SHIIP</u>	<u>Endowment</u>	<u>Fund Development</u>	<u>Transportation</u>
<b>REVENUES</b>				
Intergovernmental:				
State of Louisiana:				
Office of Elderly Affairs	\$ -	\$ -	\$ -	\$ -
Department of Transportation	-	-	-	96,436
Local governments	-	-	-	-
Charges for services	-	-	-	262,253
Interest income	-	441	-	-
Public support:				
Client contributions	75	-	129,928	-
Miscellaneous	-	-	-	-
Total revenues	<u>75</u>	<u>441</u>	<u>129,928</u>	<u>358,689</u>
<b>EXPENDITURES</b>				
Current:				
Health and welfare				
Salaries	13,311	-	72,253	200,389
Fringe	1,431	-	17,369	26,101
Travel	23	-	1,140	1,839
Operating services	7,411	-	32,854	127,596
Operating supplies	88	-	8,595	1,640
Other costs	-	-	750	1,124
Capital outlay	-	-	-	-
Total expenditures	<u>22,264</u>	<u>-</u>	<u>132,961</u>	<u>358,689</u>
Excess (deficiency) of revenues over expenditures	(22,189)	441	(3,033)	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	22,189	-	3,033	-
Operating transfers out	-	-	-	-
Total other financing sources (uses)	<u>22,189</u>	<u>-</u>	<u>3,033</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	441	-	-
<b>FUND BALANCES</b>				
Beginning of year	-	131,867	-	-
End of year	<u>\$ -</u>	<u>\$ 132,308</u>	<u>\$ -</u>	<u>\$ -</u>

<u>Local</u>	<u>PCOA</u>	<u>Total General Fund</u>
\$ -	\$ 100,000	\$ 100,000
-	-	96,436
375,028	-	375,028
-	-	262,253
6,050	-	6,491
20,940	-	150,943
<u>180</u>	<u>-</u>	<u>180</u>
<u>402,198</u>	<u>100,000</u>	<u>991,331</u>
-	-	285,953
-	-	44,901
-	-	3,002
12,541	2,797	183,199
29,760	7,960	48,043
176,306	-	178,180
<u>1,099</u>	<u>-</u>	<u>1,099</u>
<u>219,706</u>	<u>10,757</u>	<u>744,377</u>
182,492	89,243	246,954
10,887	-	36,109
<u>(197,318)</u>	<u>(89,243)</u>	<u>(286,561)</u>
<u>(186,431)</u>	<u>(89,243)</u>	<u>(250,452)</u>
(3,939)	-	(3,498)
<u>715,934</u>	<u>-</u>	<u>847,801</u>
<u>\$ 711,995</u>	<u>\$ -</u>	<u>\$ 844,303</u>

**JEFFERSON COUNCIL ON AGING, INC.**  
**COMBINING BALANCE SHEET-**  
**NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS**  
*June 30, 2017*

	Title III C - Area Agency Administration Fund	Nutritional Services Incentive Program Fund	Title III D - Disease Prevention and Health Promotion Services Fund	Title III E - National Family Caregiver Support Fund	Supplemental Senior Center Fund	MIPPA
<b>ASSETS</b>						
Accounts receivable	\$ -	\$ -	\$ 5,842	\$ -	\$ -	\$ 300
Due from other funds	<u>12,084</u>	<u>207,856</u>	<u>-</u>	<u>7,604</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 12,084</u>	<u>\$ 207,856</u>	<u>\$ 5,842</u>	<u>\$ 7,604</u>	<u>\$ -</u>	<u>\$ 300</u>
<b>LIABILITIES</b>						
Accounts payable and accrued expenditures	\$ 12,084	\$ -	\$ -	\$ 7,604	\$ -	\$ -
Due to other funds	<u>-</u>	<u>-</u>	<u>5,842</u>	<u>-</u>	<u>-</u>	<u>300</u>
Total Liabilities	12,084	-	5,842	7,604	-	300
<b>FUND BALANCES</b>						
Unassigned	-	-	-	-	-	-
Restricted	<u>-</u>	<u>207,856</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balance	<u>-</u>	<u>207,856</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 12,084</u>	<u>\$ 207,856</u>	<u>\$ 5,842</u>	<u>\$ 7,604</u>	<u>\$ -</u>	<u>\$ 300</u>

Private Pay Meals	C & D Literacy Fund	JP - CDBG - Meals On Wheels Program	Aging and Disability Resource Center Grant Fund	GiveNOLA Fund	Entergy Fund	Total
\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 56,142
<u>62,252</u>	<u>320</u>	<u>3,948</u>	<u>51,290</u>	<u>19,882</u>	<u>11,858</u>	<u>377,094</u>
<u>\$ 62,252</u>	<u>\$ 320</u>	<u>\$ 53,948</u>	<u>\$ 51,290</u>	<u>\$ 19,882</u>	<u>\$ 11,858</u>	<u>\$ 433,236</u>
\$ -	\$ -	\$ -	\$ 2,588	\$ -	\$ -	\$ 22,276
<u>-</u>	<u>-</u>	<u>-</u>	<u>48,702</u>	<u>-</u>	<u>-</u>	<u>54,844</u>
-	-	-	51,290	-	-	77,120
-	-	-	-	-	-	-
<u>62,252</u>	<u>320</u>	<u>53,948</u>	<u>-</u>	<u>19,882</u>	<u>11,858</u>	<u>356,116</u>
<u>62,252</u>	<u>320</u>	<u>53,948</u>	<u>-</u>	<u>19,882</u>	<u>11,858</u>	<u>356,116</u>
<u>\$ 62,252</u>	<u>\$ 320</u>	<u>\$ 53,948</u>	<u>\$ 51,290</u>	<u>\$ 19,882</u>	<u>\$ 11,858</u>	<u>\$ 433,236</u>

**JEFFERSON COUNCIL ON AGING, INC.**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES -**  
**NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS**  
*For the Year Ended June 30, 2017*

	Title III C - Area Agency Administration Fund	Nutritional Services Incentive Program Fund	Title III D - Disease Prevention and Health Promotion Services Fund	Title III E - National Family Caregiver Support Fund	Supplemental Senior Center Fund	MIPPA
<b>REVENUES</b>						
Intergovernmental:						
State of Louisiana:						
Office of Elderly Affairs	\$ 121,323	\$ 207,856	\$ 13,146	\$ 116,201	\$ 233,320	\$ 10,050
Local governments	-	-	-	-	-	-
Public Support:						
Client contributions	-	-	-	-	-	-
Total revenues	<u>121,323</u>	<u>207,856</u>	<u>13,146</u>	<u>116,201</u>	<u>233,320</u>	<u>10,050</u>
<b>EXPENDITURES</b>						
Current:						
Health and welfare:						
Salaries	89,175	-	6,656	30,478	-	-
Fringe	20,390	-	1,600	7,326	-	-
Travel	3,902	-	13	60	-	-
Operating services	24,982	-	2,303	9,325	-	-
Operating supplies	1,219	-	4,509	565	-	-
Other costs	-	-	-	68,448	-	-
Total expenditures	<u>139,668</u>	<u>-</u>	<u>15,081</u>	<u>116,202</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(18,345)</u>	<u>207,856</u>	<u>(1,935)</u>	<u>(1)</u>	<u>233,320</u>	<u>10,050</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfers in	18,345	-	1,935	1	-	-
Operating transfers out	<u>-</u>	<u>(25,949)</u>	<u>-</u>	<u>-</u>	<u>(233,320)</u>	<u>(10,050)</u>
Total other financing sources (uses)	<u>18,345</u>	<u>(25,949)</u>	<u>1,935</u>	<u>1</u>	<u>(233,320)</u>	<u>(10,050)</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	181,907	-	-	-	-
<b>FUND BALANCES</b>						
Beginning of year	<u>-</u>	<u>25,949</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of year	<u>\$ -</u>	<u>\$ 207,856</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Private Pay Meals	C & D Literacy Fund	JP – CDBG - Meals On Wheels Program	Aging and Disability Resource Center Grant Fund	GiveNOLA Fund	Entergy Fund	Total
\$ -	\$ -	\$ -	\$ 116,890	\$ -	\$ -	\$ 818,786
-	-	53,948	-	-	-	53,948
<u>78,080</u>	<u>1,500</u>	<u>-</u>	<u>50</u>	<u>59</u>	<u>14,000</u>	<u>93,697</u>
<u>78,088</u>	<u>1,500</u>	<u>53,948</u>	<u>116,940</u>	<u>59</u>	<u>14,000</u>	<u>966,431</u>
-	-	-	79,424	-	-	205,733
-	-	-	16,921	-	-	46,237
-	-	-	986	-	-	4,961
-	-	-	26,042	-	12,632	75,284
15,836	1,239	-	1,417	-	-	24,785
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>68,448</u>
<u>15,836</u>	<u>1,239</u>	<u>-</u>	<u>124,790</u>	<u>-</u>	<u>12,632</u>	<u>425,448</u>
<u>62,252</u>	<u>261</u>	<u>53,948</u>	<u>(7,850)</u>	<u>59</u>	<u>1,368</u>	<u>540,983</u>
-	-	-	7,850	-	-	28,131
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(34,237)</u>	<u>-</u>	<u>(303,556)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>7,850</u>	<u>(34,237)</u>	<u>-</u>	<u>(275,425)</u>
62,252	261	53,948	-	(34,178)	1,368	265,558
<u>-</u>	<u>59</u>	<u>-</u>	<u>-</u>	<u>54,060</u>	<u>10,490</u>	<u>90,558</u>
<u>\$ 62,252</u>	<u>\$ 320</u>	<u>\$ 53,948</u>	<u>\$ -</u>	<u>\$ 19,882</u>	<u>\$ 11,858</u>	<u>\$ 356,116</u>



**JEFFERSON COUNCIL ON AGING. INC.**  
**COMPARATIVE STATEMENT OF CAPITAL ASSETS AND**  
**CHANGES IN CAPITAL ASSETS**  
*For the Year Ended June 30, 2017*

	<u>Balance</u> <u>06/30/16</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>06/30/17</u>
<b>CAPITAL ASSETS, AT COST</b>				
Furniture and equipment	\$ 312,022	\$ 1,099	\$ (3,400)	\$ 309,721
Vans and auto	<u>349,484</u>	<u>-</u>	<u>-</u>	<u>349,484</u>
Total Capital Assets	<u>\$ 661,506</u>	<u>\$ 1,099</u>	<u>\$ (3,400)</u>	<u>\$ 659,205</u>
<b>INVESTMENT IN CAPITAL ASSETS</b>				
General Fund	\$ 7,789	\$ 1,099	\$ -	\$ 8,888
Supplemental Senior Center	224,427	-	-	224,427
PCOA	16,035	-	-	16,035
SenioRx	3,393	-	(2,164)	1,229
Transportation	261,187	-	-	261,187
Local Funds	115,923	-	(1,236)	114,687
Entergy Grant	17,225	-	-	17,225
Title III C - Area Agency Administration Fund	2,568	-	-	2,568
Title III B – Supportive Services Fund	1,517	-	-	1,517
Aging and Disability Resource Center Grant	<u>11,442</u>	<u>-</u>	<u>-</u>	<u>11,442</u>
Total Investment in Capital Assets	<u>\$ 661,506</u>	<u>\$ 1,099</u>	<u>\$ (3,400)</u>	<u>\$ 659,205</u>

**JEFFERSON COUNCIL ON AGING, INC.**

UNITS OF SERVICE

For the Years Ended June 30, 2017 and 2016

(Unaudited)

	Units	
	<u>2017</u>	<u>2016</u>
TITLE III B - SUPPORTIVE SERVICES FUND:		
Homemaker	3,606	3,517
Information and Assistance	1,532	1,500
Legal Assistance	510	595
Outreach	1,263	1,228
Personal Care	2,113	2,000
Telephoning	1,531	2,009
Transportation	26,977	27,727
TITLE III C-1 - CONGREGATE MEALS FUND:		
Congregate Meals	41,570	59,013
Nutrition Education	500	750
TITLE III C-2 - HOME DELIVERED MEALS FUND:		
Home Delivered Meals	158,676	188,374
TITLE III D - PREVENTIVE HEALTH FUND:		
Wellness	266	192
TITLE III E - NATIONAL FAMILY CAREGIVER PROGRAM FUND:		
Adult Day Health Care	1,696	3,176
Information and Assistance	332	325
In-Home Respite	1,953	1,894
Public Education	8	7
Material Aid	631	693
OTHER		
Medical Alert	-	1,863

***SUPPLEMENTARY FINANCIAL INFORMATION  
REQUIRED BY UNIFORM GUIDANCE***

**JEFFERSON COUNCIL ON AGING, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
*For the Year Ended June 30, 2017*

<u>Federal Grantor/Pass-Through Grantor/Program Title or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Grant Year Ended</u>	<u>Program or Award Amount</u>	<u>Federal Revenue Recognized</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Labor - Employment and Training Administration</u>					
Passed through the Louisiana Governor's Office of Elderly Affairs:					
Title V - Senior Community Service Employment Program	17.235	6/30/17	\$ 623,749	\$ 503,369	\$ 503,369
<u>U.S. Department of Health and Human Services - Administration For Community Living</u>					
Passed through the Louisiana Governor's Office of Elderly Affairs:					
Special Programs for the Aging					
Title III, Part B - Supportive Services and Senior Centers	93.044	6/30/17	394,350	253,842	* 253,842
Title III, Part C - Nutrition Services (Area Agency Administration)	93.045	6/30/17	121,323	90,992	90,992
Title III, Part C-1 - Nutrition Services (Congregate Meals)	93.045	6/30/17	309,775	283,883	283,883
Title III, Part C-2 - Nutrition Services (Home Delivered Meals)	93.045	6/30/17	<u>434,423</u>	<u>183,225</u>	<u>183,225</u>
Subtotal Title III, Part C			865,521	558,100	* 558,100
Title III, Part D - Disease Prevention and Health Promotion Services	93.043	6/30/17	13,146	13,146	13,146
Title III, Part E - National Family Caregiver Support Program	93.052	6/30/17	118,747	86,514	86,514
MIPPA – ADRC – Medicare Enrollment Assistance Program	93.071	6/30/17	10,050	10,050	10,050
Nutrition Services Incentive Program	93.053	6/30/17	<u>207,856</u>	<u>207,856</u>	<u>* 207,856</u>
Total U.S. Department of Health and Human Services-Administration For Community Living			1,609,670	1,129,508	1,129,508
<u>U.S. Department of Transportation</u>					
Passed through the Louisiana Department of Transportation and Development/					
Public Transportation Operating Assistance Program for the Non-Urbanized Area	20.513	6/30/17	96,436	96,436	96,436
<u>U.S. Department of Housing and Community Development</u>					
Passed through Jefferson Parish, Louisiana					
Title I, Part 24 – CDBG – Meals on Wheels Program	14.218	6/30/16	30,000	3,948	3,948
Title I, Part 24 – CDBG – Meals on Wheels Program	14.218	6/30/17	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>
Total U.S. Department of Housing and Community Development			<u>80,000</u>	<u>53,948</u>	<u>53,948</u>
Total Federal Grants			<u>\$ 2,409,855</u>	<u>\$ 1,783,261</u>	<u>\$ 1,783,261</u>

\* U.S. Department of Health and Human Services – Administration on Aging – Aging Cluster for Special Programs for the Aging totaled \$1,019,798.

**JEFFERSON COUNCIL ON AGING, INC.**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
*June 30, 2017*

**NOTE 1 – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying schedule of expenditures of Federal awards includes the Federal grant activity of the Jefferson Council on Aging, Inc. and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Council, it is not intended to and does not present the net position and changes in net position of the Council. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

**NOTE 2 – SUBRECIPIENTS**

The Council did not pass-through any of its federal awards to a subrecipient during the year ended June 30, 2017.

**NOTE 3 – NON-CASH ASSISTANCE**

No federal awards were expended in the form of non-cash assistance during the year ended June 30, 2017.

**NOTE 4 – UNSPENT FUNDS**

There are \$207,856 of funds remaining from the fiscal year ended June 30, 2017, for Nutrition Services Incentive Program (NSIP) grant that remain unspent as of June 30, 2017.

**NOTE 5 – INDIRECT COSTS**

The Council did not elect to use the 10% de minimis indirect cost rate for the year ended June 30, 2017.

**NOTE 6 – CLUSTER OF PROGRAMS**

The Council has a cluster of programs which is identified in the Schedule of Findings and Questioned Costs.

# Kushner LaGraize, L.L.C.

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## INDEPENDENT AUDITORS' 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  
Jefferson Council on Aging, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Jefferson Council on Aging, Inc. (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 our report thereon dated October 26, 2017.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we 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 our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, we 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.

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

### Compliance and Other Matters

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

### Purpose of This Report

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

*Kushner LaGraize, L.L.C.*

Metairie, Louisiana  
October 26, 2017

# Kushner LaGraize, L.L.C.

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## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors,  
Jefferson Council on Aging, Inc.

### **Report on Compliance for Each Major Federal Program**

We have audited Jefferson Council on Aging, Inc.'s (the Council) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Council's major federal programs for the year ended June 30, 2017. The Council's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

### **Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of the Council's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining on a test basis, evidence about the Council's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Council's compliance.



### ***Opinion on Each Major Federal Program***

In our opinion, the Council complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

### ***Report on Internal Control Over Compliance***

Management of the Council is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Council's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control over compliance.

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

Our consideration of internal control over compliance 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 compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Kushner LaGraize, L.L.C.*

Metairie, Louisiana  
October 26, 2017

**JEFFERSON COUNCIL ON AGING, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
*For The Year Ended June 30, 2017*

**SECTION I - SUMMARY OF AUDITORS' RESULTS**

**FINANCIAL STATEMENTS**

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weaknesses identified?  Yes  No

Significant deficiencies identified that are not considered to be material weaknesses?  Yes  None reported

Noncompliance material to financial statements noted?  Yes  No

**FEDERAL AWARDS**

Internal control over major programs:

Material weaknesses identified?  Yes  No

Significant deficiencies identified that are not considered to be material weaknesses?  Yes  None reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?  Yes  No

Identification of major programs:

U.S. Department of Health and Human Services - Administration on Aging

Aging Cluster for Special Programs for the Aging:	
Title III, Part B - Grants for Supportive Services and Senior Center; CFDA # 93.044	\$ 253,842
Title III, Part C - Nutrition Services; CFDA # 93.045, and	558,100
Nutrition Services Incentive Program; CFDA # 93.053	<u>207,856</u>
	<u>\$ 1,019,798</u>

Dollar threshold used to distinguish between types A and B programs: \$750,000

Audit qualified as low-risk auditee:  Yes  No

**JEFFERSON COUNCIL ON AGING, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED**  
*For the Year Ended June 30, 2017*

**SECTION II - FINANCIAL STATEMENT FINDINGS**

No financial statement findings were reported during the audit for the year ended June 30, 2017.

**SECTION III-FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

No federal award findings or questioned costs were reported during the audit for the year ended June 30, 2017.

**SECTION IV-MANAGEMENT LETTER COMMENTS — CURRENT YEAR**

No management letter comments were reported during the audit for the year ended June 30, 2017.

**JEFFERSON COUNCIL ON AGING, INC.**  
*SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2017*

**SECTION V – FINANCIAL STATEMENT FINDINGS - PRIOR YEAR**

NONE.

**JEFFERSON COUNCIL ON AGING, INC.**  
SCHEDULE OF COMPENSATION, REIMBURSEMENTS,  
BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD  
FOR THE YEAR ENDED JUNE 30, 2017

Agency Head:	Albert Robichaux, CEO
Salary	\$ 89,577
Benefits – insurance	309
Travel	3,315
Registration Fees	<u>575</u>
Total	<u>\$ 93,776</u>

# Kushner LaGraize, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

S. DAVID KUSHNER\*, CPA, CRFAC  
WILSON A. LaGRAIZE, JR., CPA/CFE, CRFAC  
ERNEST G. GELPI, CPA, CGFM  
CRAIG M. FABACHER, CPA  
DOUGLAS W. FINEGAN, CPA, CVA  
\*A Professional Accounting Corporation

MARY ANNE GARCIA, CPA  
WILLIAM B. HAMILTON, CPA  
KATHARINE M. LASSITER, CPA  
RICHARD J. RUMNEY, CPA

## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Members  
American Institute of CPA's  
Society of Louisiana CPA's

To the Board of Jefferson Council on Aging, Inc.  
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by Jefferson Council on Aging, Inc. (the Council) 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 Council'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:

### Written Policies and Procedures

---

- I. Obtain the Council'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 Council does not have any written policies and procedures), as applicable:

- a. **Budgeting**, including preparing, adopting, monitoring, and amending the budget

*We obtained the Council's policies on budgeting and noted no exceptions.*

- 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.

*We obtained the Council's policies on purchasing and noted no exceptions.*

- c. **Disbursements**, including processing, reviewing, and approving

*We obtained the Council's policies on disbursements and noted no exceptions.*

- d. **Receipts**, including receiving, recording, and preparing deposits

*We obtained the Council's policies on receipts and noted no exceptions.*

- e. **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

*We obtained the Council's payroll and personnel policies and noted no exceptions.*

- 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

*We obtained the Council's policies on contracting and noted no exceptions.*

- 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

*We obtained the Council's policies on credit cards and noted no exceptions.*

- h. **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers

*We obtained the Council's policies on travel and expense reimbursements and noted no exceptions.*

- 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 Council's ethics policy. Note: Ethics requirements are not applicable to nonprofits.

*This section is not applicable to the Council.*

- j. **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

*This section is not applicable to the Council.*

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

---

2. Obtain and review the board/committee minutes for the fiscal period, and:

- a. Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.

*The Board of the Council met every other month, with a quorum present at each meeting, which is in accordance with the board's enabling legislation.*

- 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 Council's prior audit (GAAP-basis).

*Each month the Controller prepares the in-house financial statements that include the budget to actual comparison. These financials are presented to the Finance Committee monthly and to the whole board every other month at their meetings. The July 2016 board minutes included an approval of the overall budget and any changes or questions during the year were addressed in the minutes accordingly.*

- 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.

*N/A - We noted no deficit spending or fund balance deficits in board minutes.*

- 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.

*We noted the minutes included non-budgetary financial information.*

### **Bank Reconciliations**

---

3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.

*We were provided with the listing showing fifteen bank accounts.*

4. Using the listing provided by management, select all of the Council'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. 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;

*Of the five bank accounts selected, we were provided with monthly reconciliations for the operating account, without exception. The other four accounts are senior center deposit accounts with little to no activity, other than accruing interest, and are reconciled on a quarterly basis. We were provided with quarterly reconciliations, without exception.*

- 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

*Reconciliations are prepared by the Accountant and reviewed by the Controller, who is involved with the transactions.*



- 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.

*N/A -There were no items outstanding for more than 6 months at the end of the fiscal period.*

## **Collections**

---

5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.

*Management provided the listing as requested.*

6. Using the listing provided by management, select all of the Council'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.

### **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.

*Management provided the documentation for the selected locations. No exceptions were noted.*

- b. Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the Council 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.

*Management provided the documentation for the selected locations and the Council does have written policies and procedures related to reconciling the cash collections to the general ledger, by a person who is not responsible for cash collections.*

- c. Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:

- Using Council 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.

*Management provided the required documentation for the selected deposits. The Council does not have set procedures that allow deposits to be made within one day. If they receive small donations in the mail, they will hold them in the Controller's office safe until they collect a sizeable amount to deposit. We noted that deposits were made within 2-13 days of collection, with one deposit made 36 days after collection.*

- 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.

*Management provided the required documentation for the selected deposits. We noted no exceptions.*

7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the Council has a process specifically defined (identified as such by the Council) 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.

*Management provided the policy manual containing a process to determine completeness of collections at each location. We noted no exceptions with this policy.*

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

---

8. Obtain a listing of Council disbursements from management or, alternately, obtain the general ledger and sort/filter for Council disbursements. Obtain management's representation that the listing or general ledger population is complete.

*Management provided the check register listing with the first and last check numbers written for the fiscal year. Voided checks selected were replaced with additional random samples.*

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 Council 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.

*Each selection was initiated using the Council's purchase order system, without exception.*

- b. Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.

*Each selection showed evidence of approval by a person who did not initiate the purchase, without exception.*

- 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.

*All appropriate documentation was provided for each applicable selection, without exception.*

10. Using Council 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 Council's purchasing/disbursement system.

*We noted that the Accounting Clerk is responsible for processing payments and is not prohibited from adding vendors to the Council's purchasing system. However, all payments to vendors are approved by the Controller prior to the entering of a new vendor and require dual signatures on all checks.*

11. Using Council 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.

*We obtained the required documentation and noted that the persons with signatory authority are not responsible 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 Council documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

*We noted all unused checks are kept in a locked cabinet in the Accounting Clerk's office. She is the only one with a key and does not have signatory authority.*

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.

*N/A – no signature stamps or machines are in use.*

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

---

14. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

*Management provided the required listing, noting two credit cards and one debit card.*

15. Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the Council 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.]]

*We noted evidence on each statement provided that it was approved by someone other than the authorized card holder, without exception.*

- b) Report whether finance charges and/or late fees were assessed on the selected statements.

*We noted no finance charges and/or late fees on the statements provided.*

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).

- a. For each transaction, report whether the transaction is supported by:

- An original itemized receipt (i.e., identifies precisely what was purchased)

*We were provided original itemized receipts for each of the transactions selected, without exception.*

- Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.

*For each transaction selected, we noted that none of the transactions have an explicit business purpose documented on the supporting documentation. However, the nature of the purchases appears reasonable and business related.*

- Other documentation that may be required by written policy (e.g., purchase order, written authorization.)

*We reviewed all other documentation required by written policy, without exception.*

- b. For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the Council'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.

*We noted no exceptions in the selected transactions.*

- c. For each transaction, compare the Council'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.

*We noted no exceptions in the selected transactions.*

## **Travel and Expense Reimbursement**

---

- 17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.

*Management provided the requested listing.*

- 18. Obtain the Council'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.

*Management provided their written policies and we noted no amounts that exceeded 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 Council does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.

*We noted no exceptions with the Council's written policies in the selected transactions.*

b. Report whether each expense is supported by:

- 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.]

*We were provided with an itemized receipt for each of the selected transactions, without exception.*

- Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).

*We noted documentation of the business/public purpose on each of the selected transactions, without exception.*

- Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)

*We noted all required documentation was provided with each of the selected transactions, without exception.*

c. Compare the Council'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.

*We noted no exceptions in the selected transactions.*

d. Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

*We noted that all selected transactions showed evidence of review and approval by someone other than the person receiving the reimbursement.*

## **Contracts**

---

20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.

*Management provided the requested listing.*

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.

*We were provided with formal/written contracts for each selection, without exception. However, one vendor's contract was originally drafted to only provide medical assistance to the West Bank while another vendor was responsible for the East Bank. The East Bank provider dropped out after the contract was awarded and the West Bank provider now services both. The contract was not amended to reflect this change, causing the amounts paid to this vendor during the fiscal year to exceed the amount listed in their original contract.*

- 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 Council complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)

*All of the selected contracts were subject to the Louisiana Public Bid Law and Procurement Code. No exceptions were noted with legal requirements pertaining to each contract.*

- If no, obtain supporting contract documentation and report whether the Council solicited quotes as a best practice.

*N/A – All contracts were subject to the Louisiana Public Bid Law.*

- 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.

*We noted no amendments to the contracts selected. However, as mentioned above, one of the contracts should have been amended, but was not.*

- 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.

*We noted no exceptions in the selected invoices.*

- 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).

*We noted board approval on all selected contracts, without exception.*



## Payroll and Personnel

---

22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:

- a. Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.

*Of the selected employees, we noted no exceptions.*

- 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.

*All changes noted in our selection were approved in writing and in accordance with the Council's 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 Council 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.)

*Of the selected employees, we noted no exceptions related to documentation of 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.

*Supervisory approvals were noted on all selections, without exception.*

- c. Report whether there is written documentation that the Council maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

*Written leave records were noted for all selections, without exception.*



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.

*We obtained the requested list from management, noting only one employee eligible for termination payments. We noted no exceptions in the support for the termination payment made during the period.*

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

*We noted no exceptions with regards to payroll taxes and retirement contributions for the fiscal period.*

## **Ethics**

---

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 Council maintained documentation to demonstrate that required ethics training was completed.

*N/A – The Council is a nonprofit entity and excluded from completing the ethics training.*

27. Inquire of management whether any alleged ethics violations were reported to the Council 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 Council's ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

*Per inquiry of management, there were no alleged ethics violations reported to the Council during the fiscal period.*

## **Debt Service**

---

28. If debt was issued during the fiscal period, obtain supporting documentation from the Council, and report whether State Bond Commission approval was obtained.

*No debt was issued during the fiscal period.*

29. If the Council had outstanding debt during the fiscal period, obtain supporting documentation from the Council and report whether the Council made scheduled debt service payments and maintained debt reserves, as required by debt covenants.

*The Council had no outstanding debt during the fiscal period.*

30. If the Council 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.

*The Council has no tax millages related to debt service.*

## **Other**

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31. Inquire of management whether the Council had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the Council reported the misappropriation to the legislative auditor and the district attorney of the parish in which the Council is domiciled.

*Per discussion with the Controller, there were no funds or assets misappropriated during the period.*

32. Observe and report whether the Council has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at [www.la.gov/hotline](http://www.la.gov/hotline)) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

*We viewed the notice required by R.S. 24:523.1 posted on the Council's premise and website, without exception.*

33. If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.

*N/A – no exceptions noted.*

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.

*Kushner LaGraize, L.L.C.*

Metairie, LA  
October 27, 2017