

Financial Report**East Baton Rouge Council on Aging, Inc.
Baton Rouge, Louisiana****June 30, 2009**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1/27/10

**Michael R. Choate & Company, CPAs
2915 S. Sherwood Forest Blvd., Ste B
Baton Rouge, Louisiana 70816**

Financial Report

**East Baton Rouge Council on Aging, Inc.
Baton Rouge, Louisiana**

June 30, 2009

TABLE OF CONTENTS

Financial Report

**East Baton Rouge Council on Aging, Inc.
Baton Rouge, Louisiana**

June 30, 2009

	<u>Page</u>
1. MANAGEMENT'S DISCUSSION AND ANALYSIS	1
2. INDEPENDENT AUDITOR'S REPORT	8
3. BASIC FINANCIAL STATEMENTS	
GOVERNMENT WIDE FINANCIAL STATEMENTS:	
A. Statement of Net Assets	11
B. Statement of Activities	12
FUND FINANCIAL STATEMENTS:	13
C. Balance Sheet	14
D. Statement of Revenues, Expenditures and Changes in Fund Balances	15
E. Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	16
F. NOTES TO THE FINANCIAL STATEMENTS	17
4. SUPPLEMENTARY FINANCIAL INFORMATION REQUIRED BY GASB STATEMENT 34:	36
• Budgetary Comparison Schedule – General Fund	37
• Budgetary Comparison Schedule – Title III B Fund	38
• Budgetary Comparison Schedule – Title III C-1 Fund	39
• Budgetary Comparison Schedule – Title III C-2 Fund	40
• Budgetary Comparison Schedule – Title III C-1 AAA	41
• Budgetary Comparison Schedule – Title III D	42
• Budgetary Comparison Schedule – Title III E	43
• Budgetary Comparison Schedule – NSIP	44
• Budgetary Comparison Schedule – Senior Center	45

5.	SUPPLEMENTARY FINANCIAL INFORMATION REQUIRED BY GOEA:	46
	• Schedule of Non-major Special Revenue	47
	• Schedule of General Funds	48
	• Comparative Schedule of General Fixed Assets and Changes in General Fixed Assets	49
	• Schedule of RSVP Activity	50
	• Schedule of Priority Services III B- Grant	51
6.	SUPPLEMENTARY FINANCIAL INFORMATION REQUIRED BY OMB CIRCULAR A-133 CIRCULAR A-133	52
	• Schedule of Expenditures of Federal Awards	53
7.	REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS	54
8.	REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A -133.	56
9.	FINDINGS AND QUESTIONED COSTS	59
10.	Prior Year Findings	60
11.	EXIT CONFERENCE	61

MANAGEMENT'S DISCUSSION AND ANALYSIS
East Baton Rouge Council on Aging, Inc.

The "Management's Discussion and Analysis" of the East Baton Rouge Council on Aging, Inc.'s (the Council) financial performance presents a narrative overview and analysis of the Council's financial activities for the year ended June 30, 2009. This report highlights the current year's activities, resulting changes, and relevant facts. Please read this report in conjunction with basic financial statements, which follow this section.

This fiscal year has been an extremely tough financial year for the Council due to Hurricane Gustav which struck Baton Rouge on September 1, 2008. The Council serviced an exceptionally large increase in clients after the storm. FEMA reimbursements were limited to days we were without electricity but increased services continued well after that. These reimbursements still have not been received.

FINANCIAL HIGHLIGHTS (see condensed statements on page 6)

- The Council's Government Wide total assets exceeded its total liabilities at the close of fiscal year 2009 by \$ 90,964.
- Operating cash was \$ 149,130 at June 30, 2009 compared to \$ 286,299 at June 30, 2008. This is an decrease of \$ 137,169 or 48%. Moreover, \$166,322 of the cash balance is "restricted" for utility assistance.
- **Changes in Revenue 2009 vs 2008**
The COA received funds in excess of \$180,000 from our Trust to alleviate expenses relating to Hurricane Gustav as well as to provide services for the ever-increasing number of seniors requesting services in the parish. The East Baton Rouge Council on Aging, Inc. received an increase in funding from the city of Baton Rouge in the amount of \$145,425. Funding received thru the Governor's Office of Elderly Affairs increased \$50,423.
- **Changes in Expenses 2009 vs 2008**
Total expenses (including Project Care Utilities) for 2009 increased \$272,000 over 2008. Salaries increased \$212,794 health insurance and fringe increased about \$62,700. Travel increased \$24,000; legal fees decreased \$(13,000). Capital outlay increased \$24,145 with the purchase of 2 new vans.
- The combined decrease in fund balances for the year ended June 30, 2009 is \$ (66,765). This is compared to June 30, 2008 decrease of \$(71,050).
- The Council's General Fund reported a decrease in fund balance of \$(43,247)

OVERVIEW OF THE FINANCIAL STATEMENTS – What's included

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

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

Government-wide Financial Statements

The government-wide financial statements (see Exhibits A and B) are designed to provide readers with a broad overview of the Council's finances, in a manner similar to a private sector business. The **statement of net assets** presents information on all of the Council's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Council is improving or deteriorating. The **statement of activities** presents information showing how the Council's net assets change during each fiscal year (revenues less expenditures). All changes in net assets are reported as soon as the financial transaction occurs regardless of the timing of the related cash flows. Thus, revenues and expenditures are reported in this statement this fiscal year even though the resulting cash flow is in future fiscal years. The governmental activity of the Council is health and welfare which is comprised of various programs that include supportive services, nutritional services, utility assistance disease prevention, caregiver support and a multipurpose senior center in East Baton Rouge Parish, Louisiana.

Fund Financial Statements

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

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current year inflows and outflows of cash, as well as on balances of spendable resources available at the end of the fiscal year. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to help with this comparison between governmental funds and governmental activities. (Exhibit D and E)

The Council has presented the General Fund, Title III B – Supportive Services Fund, Title III C-1- Congregate Meals Fund, Title III C-2 – Home Delivered Meals Fund, Title III D, Title III E, USDA and Senior Center Fund as major funds. (Exhibit C & D) All non-major governmental funds are presented in one column, titled “Total Non-Major Funds”. Combining financial statements of the non-major funds can be found in the Combining Fund Statements that follow the basic financial statements (Page 47).

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements. The Governmental Accounting Standards Board (GASB) Statement No. 34 requires budgetary comparison schedules for the General Fund and each major Special Revenue Fund that has a legally adopted budget (Pages 37 to 45). In addition to these required elements, the Council has a section of supplementary information. The Governor’s Office of Elderly Affairs (GOEA) has required the Council to present combining statements that provide details about our non-major governmental funds and details about capital assets and the changes in capital assets. This information will be used by GOEA to verify the accuracy of information submitted to them during the year and to help monitor certain compliance requirements set forth in the grants that it has with the Council (Page 47 - 51).

The Office of Management and Budget (OMB) through its Circular A-133 requires a Schedule of Expenditures of Federal Awards. This schedule will present required information about the Council’s federally funded programs in a manner that can facilitate financial and compliance analysis by the agencies that have granted federal money. (Page 53)

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets serve as a useful indicator of the Council’s financial position. As of June 30, 2009, assets exceeded liabilities by \$ 90,864 as compared to prior year of \$151,126. This is a decrease of (\$ 60,262).

Special Revenue Fund Budgetary Highlights

The budget is amended during the course of the fiscal year to comply with requirements of Governor’s Office of Elderly Affairs.

The budget was amended one time during the year. The primary reasons for amending the budget were to comply with the Council's grants for GOEA due to unanticipated changes in revenue and expenditures. The major differences between the original Special Revenue Fund budget and the final amended budget were as follows:

Revenues	
• City of Baton Rouge grant increased	\$ 20,550
• Public Support & Fees	52,465
• Fundraising and Sales decreased	(178,700)
• Revenue from Trust	109,000
Expenditures	
• Personnel and fringe increased	\$ 222,064
• Services increased	5,007
• Supplies decreased	(39,309)
• Travel increased	23,013
• Other expenses decreased	(18,855)
• Meals increased	18,000

Required supplementary information budgetary comparison schedules were prepared for the General Fund and each major Special Revenue Fund (Page 40 to 48).

CAPITAL ASSETS

The Council's investment in capital assets for its governmental activities as of June 30, 2009, amounts to \$ 90,091 (net accumulated depreciation). This investment in capital assets includes office furniture, fixtures, vehicles, machinery and equipment (see table below)

	<u>2009</u>	<u>2008</u>
Leasehold improvements	\$ 114,119	\$ 114,119
Office furniture, fixtures and equipment	313,403	313,403
Vehicles	<u>109,934</u>	<u>78,164</u>
Sub Total	537,456	505,686
Less accumulated depreciation	<u>(447,365)</u>	<u>(407,304)</u>
Totals	<u>\$ 90,091</u>	<u>\$ 98,382</u>

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Council receives most of its funding from federal, state and local agencies. Because of this, the source of income for the Council is consistent. However, some of the Council's grants and contracts are contingent upon the level of service provided by the Council, and therefore, those revenues are not fixed. There have been no significant changes to the funding levels or terms of the grants and contracts. The Governor's Office of Elderly Affairs (GOEA) has approved the Council's budget for fiscal year 2009-2010. There are no plans to add any significant programs for next fiscal year.

The East Baton Rouge Area Agency receives one-half the funding the other AAA's in the state while being required to serve more seniors than any other agency in the state. EBR Parish has the largest concentration of seniors in Louisiana and has experienced rising costs and extensive waiting lists for programs. The senior population is increasing exponentially. It is time for the State of Louisiana to recognize and address this shortfall.

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

- The East Baton Rouge Council on Aging, Inc. will receive \$119,675 in additional revenue from the sales of ads and \$175,000 additional revenue in fund raising and sponsorship.
- Each year the East Baton Rouge Council on Aging, Inc. experiences increases in fuel costs and other inflationary items without additional funding to offset these increases.
- Actual expenditures from previous fiscal year in relation to expected needs in the current year.
- Consideration of funding to be received from GOEA and City of Baton Rouge.
- Salaries and benefits are based on the number of employees needed to perform necessary services and the related benefits.
- Travel rates in accordance with state travel regulations.
- Services the Council will provide along with estimated service costs.
- Estimate of operating supplies needed to perform necessary services.
- Detail plan of equipment needed to be purchased.

Condensed Statements of Net Assets

	June 30,		Dollar Change
	<u>2009</u>	<u>2008</u>	
Cash	\$ 149,130	\$ 286,299	\$ (137,169)
Other current assets	82,508	52,916	29,592
Capital assets, net	<u>90,091</u>	<u>98,382</u>	<u>(8,291)</u>
Total assets	<u>\$ 321,729</u>	<u>\$ 437,597</u>	<u>\$ (115,868)</u>
Accounts payable	72,656	68,444	4,212
Other liabilities	<u>158,209</u>	<u>218,027</u>	<u>(59,818)</u>
Total liabilities	<u>230,865</u>	<u>286,471</u>	<u>(55,606)</u>
Net Assets:			
Invested in capital assets, net	90,091	98,382	(8,291)
Restricted	103,493	127,011	(23,518)
Unrestricted	<u>(102,720)</u>	<u>(74,267)</u>	<u>(28,453)</u>
Total net assets (deficit)	<u>\$ 90,864</u>	<u>\$ 151,126</u>	<u>\$ (60,262)</u>

Governmental Activities

Governmental activities decreased the Council net assets by \$ (60,262). Key elements of this decrease are as follows:

Condensed Changes in Net Assets

	June 30,		Dollar Change	Total Percent Change
	<u>2009</u>	<u>2008</u>		
Revenues:				
Program revenues:				
Operating grants and contributions	1,939,907	1,960,258	(20,351)	(1.04%)
General revenues:				
Grants and contributions not restricted	1,224,587	927,373	297,214	32.05%
Miscellaneous	-	-	-	-
Total revenues	<u>3,164,494</u>	<u>2,887,631</u>	<u>276,863</u>	<u>9.59%</u>
Expenses:				
Health and welfare	<u>3,224,756</u>	<u>2,988,508</u>	<u>236,248</u>	<u>7.91%</u>
Total expenses				
Increase (decrease) in net assets	(60,262)	(100,877)	40,615	
Net assets beginning of year	<u>151,126</u>	<u>252,003</u>	<u>(100,877)</u>	
Net assets end of year	<u>\$ 90,864</u>	<u>\$ 151,126</u>	<u>\$ (60,262)</u>	

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

The focus of the Council's governmental funds is to provide information on current year inflows, outflows, and balances of spendable cash and other resources. Such information is useful in assessing the Council's cash flow requirements. In particular, unrestricted fund balance at year end may serve as a useful measure of a government's net resources available for spending next fiscal year. As of the end of the current fiscal year, the Council's governmental funds reported combined ending fund balances of \$ 28,396, a decrease of \$ (66,765) in comparison with the prior year.

The General Fund is the main operating fund of the Council. At the end of the current fiscal year, unreserved fund balance of the general fund was \$ (75,097) deficit while total fund balance reached \$28,396 (Exhibit C). The fund balance of the Council's General Fund decreased by \$ (43,247) during the current fiscal year. (Exhibit D)

Other major funds, including Title III B – Supportive Services Fund and Title III C-2 – Home Delivered Meals Fund and Title III C-1 Congregate Meals had a no change in fund balances. These funds are reimbursed by federal and state grants. Expenditures that are not covered by the grants are covered by transfers from the General Fund.

REQUESTS FOR INFORMATION

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

Board of Directors
Johnny Dykes
East Baton Rouge Council on Aging, Inc.
5790 Florida Blvd.
Baton Rouge, Louisiana.70806-4244
Phone (225) 923-8000

Independent Auditor's Report

East Baton Rouge Council on Aging, Inc.
Baton Rouge, Louisiana, USA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the East Baton Rouge Council on Aging, Inc. as of and for the year ended June 30, 2009, which collectively comprise the Council's financial statements as listed in the table of contents. These financial statements are the responsibility of the East Baton Rouge Council on Aging's management. Our responsibility is to express opinions on these financial statements based on our audit.

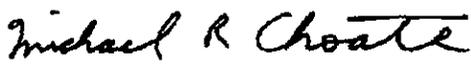
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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 East Baton Rouge Council on Aging, Inc., as of June 30, 2009, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The accompanying required supplementary information, such as "Management's Discussion and Analysis" and "Budgetary Comparison Information" are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2009, on our consideration of East Baton Rouge Council on Aging, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the East Baton Rouge Council on Aging's financial statements. The accompanying supplemental schedule of expenditures of federal awards on page 53 is presented for purpose of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general purpose financial statements. Also, the accompanying supplementary information on pages 37 to 45, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The supplementary information in the "introductory section", have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.


Michael R. Choate & Company CPAs

December 10, 2009

GOVERNMENT WIDE FINANCIAL STATEMENTS

GOVERNMENT WIDE STATEMENT OF NET ASSETS

EAST BATON ROUGE COUNCIL ON AGING
BATON ROUGE, LOUISIANA

June 30, 2009

	<u>Governmental Activities</u>
Assets	
Cash (Restricted: \$166,322)	\$ 149,130
Other Receivables	53,332
Prepaid Expense	8,862
Inventory	20,314
Deposits	-
Capital assets, net of accumulated depreciation	<u>90,091</u>
 Total Assets	 <u>\$ 321,729</u>
Liabilities	
Accounts payable	72,656
Accrued payroll and taxes	60,410
Accrued compensated absences	27,623
Custodial account	55,110
Unearned income	<u>15,066</u>
 Total Liabilities	 <u>230,865</u>
Net Assets	
Invested in Capital Assets	90,091
Restricted for:	
Utility Assistance	103,493
Unrestricted	<u>(102,720)</u>
 Total Net Assets	 <u>\$ 90,864</u>

The accompanying notes are an integral part of this statement.

GOVERNMENT WIDE STATEMENT OF ACTIVITIES
EAST BATON ROUGE COUNCIL ON AGING
BATON ROUGE, LOUISIANA

For the year ended June 30, 2009

	Program Revenues				Net (Expense) Revenue and Increases (Decreases) in Net Assets	
	Direct Expenses	Indirect Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Functions / Programs						
Governmental Activities						
Health, Welfare & Social Services						
Supportive Services:	\$ 517,490	\$ 217,945	\$ -	\$ 286,200	\$ -	\$ (449,235)
Personal Care	-	-	-	-	-	-
Other Services	-	-	-	-	-	-
Homemaker	-	-	-	-	-	-
Information and Assistance	-	-	-	-	-	-
Legal Assistance	-	-	-	-	-	-
Outreach	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Nutrition Services:						
Congregate Meals	344,354	183,564	-	428,481	-	(109,437)
Home Delivered Meals	520,304	132,121	-	415,079	-	(237,346)
Utility Assistance	69,021	5,836	-	35,502	-	(29,355)
Disease Prevention and Health Promoter	36,811	17,056	-	13,904	-	(39,955)
National Family Caregiver Support	106,917	45,800	-	104,247	-	(48,470)
Multipurpose Senior Centers	150,415	-	-	281,337	-	130,922
Senior Activities	421,188	113,731	107,003	172,289	-	(255,637)
Public Relations	218,672	44,680	104,795	70	-	(158,487)
Administration	849,574	(770,735)	676	18,237	-	(59,927)
Total governmental activities	\$ 3,224,756	\$ -	\$ 212,473	\$ 1,766,346	\$ -	\$ (1,256,937)
General Revenues:						
City of Baton Rouge Grant					912,560	
Grants and contributions not restricted to specific programs					284,034	
Special Item - Interest Income					91	
Special Item - Insurance Proceeds					-	
Increase (Decrease) in net assets						(60,262)
Net assets - beginning of the year						151,128
Net assets - end of the year						<u>\$ 90,864</u>

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

EXHIBIT C

Balance Sheet
 Governmental Funds
 East Baton Rouge Council on Aging, Inc.
 June 30, 2009

General Fund	Title III C-1					Senior Center	Total Non Major Funds	Total
	AAA	Title III B	Title III C-1	Title III C-2	Title III - D			
Assets								
Cash	\$ (17,192)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 166,322	\$ 149,130
Other receivables	53,332	-	-	-	-	-	-	53,332
Prepaid expenses	8,862	-	-	-	-	-	-	8,862
Inventory	20,314	-	-	-	-	-	-	20,314
Deposits	-	-	-	-	-	-	-	-
Total Assets	\$ 65,316	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 166,322	\$ 231,638
Liabilities and Fund Balance								
Liabilities								
Accounts Payable	\$ 72,656	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 72,656
Accrued payroll and taxes	60,410	-	-	-	-	-	-	60,410
Custodial account	-	-	-	-	-	-	55,110	55,110
Unearned revenue	15,066	-	-	-	-	-	-	15,066
Due to/from other funds	(7,719)	-	-	-	-	-	7,719	-
Total Liabilities	140,413	-	-	-	-	-	62,829	203,242
Fund Balances								
Unreserved/Undesignated:								
General Fund	(75,097)	-	-	-	-	-	-	(75,097)
Special Revenue Fund	-	-	-	-	-	-	103,493	103,493
Total Fund Balances	(75,097)	-	-	-	-	-	103,493	28,396
Total Liabilities and Fund Balances	\$ 65,316	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 166,322	\$ 231,638

Amounts reported for governmental activities in the statement of net assets are different because:
 Compensation absences are not paid for out of current financial resources and therefore are not reported funds
 Capital assets used in governmental activities are not resources therefore are not reported in the funds
 Net assets of Governmental Activities

(27,623)
 90,091
\$ 90,864

The accompanying notes are an integral part of this statement.

EXHIBIT D

EAST BATON ROUGE COUNCIL ON AGING, INC.
 STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2009

General Fund	Title III C-1 AAA	Title III - B	Title III C-1	Title III C-2	Title III - D	Title III - E	N.S.I.P.	Senior Center	Total Non Major Funds	Total
Revenue										
Intergovernmental:										
City of Baton Rouge	\$ 812,550	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 812,550
Office of Elderly Affairs	100,000	288,200	242,818	380,197	13,904	104,247	97,200	281,337	97,582	1,071,208
Corporation for National and Community Service	-	-	-	-	-	-	-	-	-	-
Unrestricted Public Support	250	-	-	-	-	-	-	-	37,371	37,371
Restricted Public Support	65,673	-	-	4,710	-	-	-	-	-	250
Program Service Fees:										
Participant Contributions	70	-	49,342	1,572	-	-	-	-	-	50,984
Program Income	107,678	-	-	-	-	-	-	-	-	107,678
Senior Olympics	13,222	-	-	-	-	-	-	-	-	13,222
Miscellaneous:										
Platinum Record Ad Sales	25,979	-	-	-	-	-	-	-	-	25,979
Resource Guide, Ad Sales	2,675	-	-	-	-	-	-	-	-	2,675
Senior Olympics Sponsorship	15,000	-	-	-	-	-	-	-	-	15,000
Golf Tourney	260	-	-	-	-	-	-	-	-	260
Interest Income	91	-	-	-	-	-	-	-	-	91
Insurance Proceeds	-	-	-	-	-	-	-	-	-	-
Other	231,623	-	-	-	-	-	-	-	-	231,623
General Public via Entry	31,637	39,203	149,938	28,750	2,992	8,300	-	75,000	35,902	327,000
In-Kind Contributions	1,488,628	325,403	432,688	395,209	18,896	112,547	97,200	355,337	170,455	3,491,494
Expenditures										
Current:										
Salaries and Wages	288,387	477,286	231,341	289,324	37,354	100,284	-	120,614	88,521	1,877,375
Fringe	49,251	134,147	44,713	62,835	7,278	31,089	-	26,385	11,850	393,481
Travel	28,705	38,035	2,211	51,883	380	7,025	-	-	1,773	131,389
Operating Services	127,454	42,173	40,180	43,291	3,184	8,485	-	3,350	12,384	300,194
Operating Supplies	36,781	10,814	12,538	11,040	4,302	2,042	-	66	3,488	87,678
Other Costs	85,892	33,000	8,752	13,346	1,413	3,704	-	-	45,709	198,572
Meals	19,308	-	110,252	190,639	-	-	-	-	-	320,397
Utility Assistance	-	-	-	-	-	-	-	-	59,021	59,021
Sub Grants	-	-	-	-	-	-	-	-	59,307	59,307
Capital Outlay	31,770	-	-	-	-	-	-	-	-	31,770
Debt Service:										
Principia Retirement	-	-	-	-	-	-	-	-	-	-
Interest	2,107	-	-	-	-	-	-	-	-	2,107
In-Kind Services and Facilities	31,837	39,203	149,938	26,750	2,992	8,300	-	75,000	327,000	327,000
Excess (deficiency) of Revenue over Expenditures	696,273	87,921	590,935	681,150	59,891	161,017	-	225,415	282,044	3,558,259
Other Financing Sources (Uses)										
Operating Transfers In	422,425	448,235	159,037	285,046	39,985	48,470	-	-	88,071	1,492,149
Operating Transfers Out	(1,284,027)	(448,235)	(159,037)	(285,046)	(39,985)	(48,470)	(97,200)	(130,922)	-	(1,492,148)
Excess (deficiency) of Revenues and Other Sources over Expenditures and Other Uses	(841,602)	-	159,037	285,046	39,985	48,470	(97,200)	(130,922)	88,071	-
Fund Balances										
Beginning of Year	(31,850)	-	-	-	-	-	-	-	127,011	95,161
End of Year	(75,087)	-	-	-	-	-	-	-	103,483	28,396

The accompanying notes are an integral part of this statement.

**Reconciliation of the Statement of Revenues, Expenditures
 and Changes in Fund Balances of Governmental
 Funds to the Statement of Activities
 East Baton Rouge Council on Aging, Inc.
 Baton Rouge, Louisiana**

Year Ended June 30, 2009

Net (Decrease) in fund balances – total governmental funds	\$	(66,765)
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Governmental funds report **capital outlays** as expenditures. However, in the **Statement of Activities** the cost of these assets is allocated over their estimated useful lives and reported as **depreciation expense**. This is the amount by which depreciation (\$40,061) exceeded capital outlay (\$31,770) in the current period.

		(8,291)
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Some expenses reported in the **Statement of Activities** do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:

Compensated absences		<u>14,794</u>
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Decrease in net assets of governmental activities	\$	<u>(60,262)</u>
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EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS

June 30, 2009

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities and Reporting Entity

In 1964, the State of Louisiana passed Act 456, which authorized the charter of voluntary councils on aging for the welfare of the aging people in their respective parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. The East Baton Rouge Council on Aging, Inc. is a non-profit, quasi-public corporation which must comply with the policies and regulations established by the Governor's Office of Elderly Affairs, the state agency which provides the Council with most of its revenues. Other entities that provide the Council with federal, state, or local funds may impose some additional requirements.

The primary function of the East Baton Rouge Council on Aging, Inc. is to improve the quality of life for the parish's elderly and to provide services to the elderly as well as coordinate and monitor the services of other local agencies serving the aging people of the parish. Some of the services provided by the Council include congregate and home delivered meals, health care services, nutritional education, information and referral, legal assistance, homemaker services, operating senior centers, and outreach. A Board of Directors, consisting of eleven voluntary members who serve three-year terms, governs the Council.

Before January 1, 1992, the Council operated as part of City of Baton Rouge. Effective January 1, 1992, the Council began operating as a stand-alone entity, responsible for managing all of its affairs. The Council is not classified as a component unit of another primary government nor does it have any component units. It is determined to be a separate special-purpose governmental entity and presents its financial statements in a form appropriate to that classification.

Presentation

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS

June 30, 2009

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The accompanying financial statements conform to accounting principles generally accepted in the United States of America as applicable to governmental entities as prescribed by the GASB, and the applicable requirements set forth in Audits of State and Local Governmental Units, the industry audit guide issued by the American Institute of Certified Public Accountants; Subsection VIII – Annual Financial Reporting, accounting manual for Governor’s Office of Elderly Affairs contractors; and , the Louisiana Governmental Audit Guide.

Management’s Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Income Tax Status

The Council, a quasi-governmental entity, is exempt from federal income taxes under section 501(C) (3) of the Internal Revenue Code.

Fund Accounting

The Council uses funds to report its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain functions or activities.

The accounts of the Council are organized on the basis of funds which are considered separate accounting entities. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures. 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 grouped, in the financial statements in this report, into three generic fund types.

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2009

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Fund Types

Governmental funds are those through which the functions of the Council are financed. The general activities of the Council, including the collection and disbursement of specific or legally restricted monies, the acquisition of general fixed assets, and the servicing of general long-term obligations are accounted for within the various governmental fund types as follows:

General Fund – The General Fund is the general operating fund of the Council. It is used to account for all financial resources except those required to be accounted for in another fund. These discretionary funds are accounted for and reported according to the source (federal, state, or local) from which they are derived. In addition, the servicing of general long-term debt is accounted for in the General Fund because unrestricted resources are used to pay for the liabilities incurred by this fund.

The General Fund is considered a Major Fund of the Council.

The following programs comprise the Council's General Fund:

Local

Revenues such as donations from the general public, funding from the local City-Parish government, income from various fund raising activities, and interest earned on invested idle funds have been recorded in the local program of the general fund. Expenses related to these activities as well as expenses not chargeable to specific programs are recorded in the local program. Local program funds are also transferred to other funds and programs to supplement their funding when needed. Most of the Council's fixed assets are acquired with local program funds.

PCOA

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 provided the program benefits people who are at least 60 years old. During fiscal year 2005, all PCOA funds were used to supplement Title III programs.

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS

June 30, 2009

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Health Screening

The Council provides health-screening services and flu shots to enable senior citizens to detect health problems and prevent disease.

Fan and Blanket Fund

The Council occasionally collects donations for fans and blankets and distributes these items to senior citizens.

Senior Activities

The Senior Activities fund is used to account for revenues and costs associated with senior activities. These activities include, but are not limited to craft classes held at senior centers, a consignment store that enables senior citizens to market their crafts, and sponsorship of the annual Senior Olympics.

Paid Meals

Paid Meals is a program whereby guest meals are sold at C-1 congregate meal sites, and C-2 frozen meals are delivered to the homes of persons who pay the full cost of the meal. Any revenues in excess of expenditures to operate this program are transferred, as needed, to the Title III C-1 and C-2 programs to subsidize the costs of providing such meals.

Public Relations

The Council uses its public relations program to inform and educate the community about its services and programs. The Council's newspaper, "The Platinum Record", is published on a bi-monthly basis to homes and other locations in East Baton Rouge Parish to inform readers about the Council's activities and provide information to help elderly people.

The Council hosts an annual golf tourney as a fund raiser and public relations event.

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2009

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Senior Net Learning Center

The Council operates a Senior Net Learning Center where computer classes are held for the purposes of training and enhancing the computer skills of people 50 years of age and older.

Major Special Revenue Funds

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Most of the Council’s special revenue funds are provided by GOEA. The Title III funds are provided by the United States Department of Health and Human Services – Administration on Aging through the Governor’s Office of Elderly Affairs which in turn “passes through” the funds to the Council.

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

The following are the funds that comprise the Council’s Major Special Revenue Funds:

Title III C Area Agency Administration – (AAA) Fund

The Title III C Area Agency Administration (AAA) Fund is used to account for some of the administrative costs associated with operating the Special Programs for the Aging.

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2009

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Title III-B Supportive Services Fund

The Title III-B Supportive Services Fund is used to account for funds which are to provide a variety of social services; such as, information and assistance, access services, in-home services, community services, legal assistance, and outreach for people over the age 60 and older.

GOEA has established the criteria for defining a qualifying unit of service for each Title III program. Specific supportive social services, along with the number of units provided during the fiscal year, are as follows:

	<u>Units</u>
• Information and Assistance	7597
• Homemaker	7648
• Outreach	12,561
• Wellness	60,059
• Medication Management	14,882

Title III C-1 Fund

The Title III C-1 Fund is used to account for funds that are used to provide nutritional, congregate meals to the elderly in strategically located meal sites in East Baton Rouge Parish. During the year, the Council served approximately 71,891 congregate meals to people eligible to participate in this program.

Title III C-2 Fund

Title III C-2 Fund is used to account for funds that are used to provide nutritional, home-delivered meals to home bound older persons. During the year, the Council served approximately 112,679 home delivered meals to people eligible to participate in this program.

Title III D Fund

The Title III D Fund is used to account for funds that provide disease prevention and health promotion services. During the year, the Council provided wellness activities designed to support and/or improve the older persons mental and/or physical well being including exercise/physical fitness classes and health screening sessions. The Council also provided medication management services, which included screening and educating older persons to prevent incorrect medications usage and adverse drug reactions.

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2009

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Title III E Fund

The Title III E Fund is used to account for funds, which provide various caregiver support services. This includes public education, information and assistance, support groups, in-home respite care, and personal care services.

Nutritional Supplement Incentive Program (N.S.I.P.)

The N.S.I.P. Fund is used to account for the administration of Nutrition Program for the Elderly funds provided by the United States Department of Agriculture through the Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council.

Senior Center Fund

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

Non Major Special Revenue Funds

Audit Fund

The Audit Fund is used to account for funds received from the Governor's Office of Elderly Affairs that are restricted to use as a supplement to pay for the cost of having an annual audit of the Council's financial statements.

Supplemental Senior Center Fund

The Supplemental Senior Center Fund is used to account for the additional money appropriated by the Louisiana Legislature to supplement the primary state grant for senior centers. These funds are "passed through" the Governor's Office of Elderly Affairs.

The supplemental senior center grant received by the Council from the Legislature specified that \$ 59,307 be passed through to Serenity 67, subject to the oversight of the Council. Serenity 67 is a nonprofit 501(c)(3) community service organization designed to assist the citizens of Louisiana House of Representatives District 67 and the surrounding areas to experience a more positive community life.

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2009

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Retired Senior Volunteers Program (RSVP) Fund

The Retired Senior Volunteer Program Fund is used to account for federal funds provided directly by The Corporation for National and Community Service (CNCS) and state funds that are provided directly by the Governor's Office of Elderly Affairs. These funds are used to pay travel and other out-of-pocket expenses incurred by senior citizens, age 55 and over, who have volunteered their time to assist non-profit and governmental entities in East Baton Rouge Parish, Louisiana.

Utility Assistance Fund

The Utility Assistance Fund is used to account for Project Care, which is sponsored by Entergy, a local utility company. Entergy collects contributions from service customers and employees and remits the funds directly to the Council. These funds are used to provide financial assistance to the elderly for the payment of their utility bills.

Fiduciary Fund – Fiduciary Funds are used to account for assets held by the Council in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. Fiduciary funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The agency fund is used to account for assets held by the Council as an agent for individuals and other organizations.

Capital Assets

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

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2009

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Salvage values have not been estimated by management when calculating how much of an asset's cost needs to be depreciated except for vehicles. For that category or capital assets, management has used 10% of the vehicles initial cost as a salvage value estimate.

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

Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds, including the General and Special Revenue Funds, are accounted for using a current financial resources measurement focus. With this measurement focus, generally only current assets and current liabilities are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets.

Governmental funds are maintained on the modified accrual basis of accounting wherein revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for the following:

- (1) Principle and interest on long-term debt are recorded when due, and
- (2) Claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2009

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

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

Transfers and Interfund Loans

Advances between funds, which are not expected to be repaid, are accounted for as transfers. In those cases where repayment is expected, the advances are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

Budget Policy

The Council used the following procedures to derive the budgetary data which has been presented in these financial statements:

The Governor's Office of Elderly Affairs (GOEA) notifies the Council each year as to the funding levels for each program's grant award. GOEA awards funds using the same fiscal year as the Council, except for the RSVP program award, which is on a calendar year basis.

The City of Baton Rouge notifies the Council each year as to the amount included in the City-Parish budget for the Council. Because the City of Baton Rouge operates on a calendar year, its fiscal year will overlap the Council's fiscal year. Accordingly, the Council's management can predict with reasonable accuracy how much money the Council will have available for the first six months of its fiscal year. Management estimates the City's allocation for the last six months of the Council's fiscal year until the City notifies the Council of the exact allocation. Management will then incorporate the actual allocation amount into the Council's amended budget. Funds received from the City of Baton Rouge are unrestricted as to use by the Council on Aging.

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2009

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Council may also obtain grants from agencies other than GOEA and the City of Baton Rouge, and the Council considers the potential revenues to be earned under those grants.

Projections are made of revenues from other sources based on past trends and data available to form expectations of future revenues.

The Council's management prepares a proposed budget based on the expected funding levels and then submits the budget to the Board of Directors for approval.

The Board of Directors review and adopts the budget before May 31 of the current year for the next year.

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

All budgetary appropriations for grants awarded the Council by GOEA lapse at the end of each fiscal year (June 30), except for N.S.I.P. Cash in lieu of Commodities funding and the grant for the RSVP program. Both the grant award from GOEA and the grant award from The Corporation for National and Community Service for the RSVP program lapse at December 31. Occasionally, the Council will receive a special project grant that may operate on a period different from the Council's normal fiscal year and, therefore, have a specified date where the budgetary appropriation will lapse.

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

Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments, which must also be adopted by the Board of Directors and approved by GOEA.

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

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS

June 30, 2009

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Council may transfer funds between line items as often as required but must obtain prior approval from the Governor's Office of Elderly Affairs for funds received under grants from this state agency. As part of its grants awards, GOEA requires the Council to amend its budget in cases where actual costs for a particular cost category exceed the budgeted amount by more than 10%. Otherwise, the excess costs could be labeled as unauthorized expenditures.

Expenditures cannot legally exceed appropriations on an individual fund level.

The primary budget requirement under the RSVP program's grant from The Corporation for National and Community Services is that the ratio of volunteer expenses to total program expenses must equal or exceed the ratio in the approved budget.

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

Compensated Absences

Full time employees earn vacation leave, beginning with the first full month of employment, at the rate of one day pay per month. The earning rate for vacation leave increases with each year of employment up to 1.75 days per month for employees with ten or more years of service.

Beginning June 15, 1992, no more than 5 days of vacation leave may be carried over after September 30th of each year. Prior to June 15, 1992, any amount of earned and unused vacation leave could be carried over with no limitation on its use. Payment of any vested vacation leave is made by the Council upon termination of an employee for any reason.

GASB Statement No. 16 requires the accrual for vacation leave to the extent it is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement. The Council recorded a liability as of June 30, 2009 for the accrued vacation for each employee at the employee's current rate of pay. Standards require that applicable provisions for retirement, social security, and Medicare taxes be included in the accrued compensations. Accrued vacation benefits will be paid from future year's resources and will be recorded as fund expenditures in the various governmental funds in the year in which they are paid or become due on demand to terminated employees.

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS

June 30, 2009

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GASB Statement No. 16 requires the accrual for sick leave if it is probable that the employer will compensate the employees for the benefits through cash payments conditioned on the employee's termination or retirement. Since the accumulated sick leave lapses upon termination, no amount has been accrued.

The management of the Council has estimated that the portion of its liability for accrued compensated absences to be paid from expendable available financial resources is not material. Consequently, the total amount of accrued compensation is reported as a long term debt.

Restricted Assets

Restricted assets are those that have primarily been acquired through donations or grants whereby the donor or grantor has placed a restriction on how the funds can be used by the Council. Restricted assets are offset by a corresponding reservation of the Council's fund balance.

Reservation and Designations of Fund Balances

The Council "reserves" portions of its fund balances that are not available for expenditure because resources have already been expended but the related asset not consumed, or a legal restriction has been placed on certain assets which make them only available to meet future obligations. Designated allocations of fund balances result when the Council's management intends to expend certain resources in a designated manner.

Prepaid Expenses

The Council has elected not to expense amounts paid for future services until those services are consumed to comply with the cost reimbursement terms of its grant agreements. The fund balances in the governmental fund types have been reserved for any prepaid expenses recorded in these funds to reflect the amount of fund balance not currently available for expenditure.

Inventory

Inventories consists principally of food and kitchen supplies that have not been consumed as of year-end and of resource materials for Senior Net classes. Such inventories are valued at the lower cost or market under the first-in, first-out method. Amounts reported as inventories are equally offset by a fund balance reserve which indicates that they do not constitute available spendable resources even though they are a component of net current assets.

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS

June 30, 2009

B: CASH

The Council maintains a consolidated bank account that is available for use by all funds. The Council's deposits at June 30, 2009 are categorized below to give an indication of the level of risk assumed by the Council at year-end. Category 1 includes deposits that are insured or collateralized with securities held by the Council or by its agent in the Council's name. (In October of 2008, FDIC Insurance increased from \$100,000 to \$250,000). Category 2 includes deposits that are uncollateralized and any bank balance that is collateralized with securities held by the pledging financial institution or by its trust department or agent but not in the entity's name.

	Bank Balance	<u>1</u>	Category <u>2</u>	<u>3</u>	Carrying Value
Total Deposits	\$ 149,130	\$ 149,130	\$ -	\$ -	\$ 149,130

All amounts shown in Category 3 are uncollateralized. However, state law does require collateralization and when such collateral is in the form of securities pledged by the financial institution but not held in the Council's name there is a statutory requirement that the custodial bank sell the pledged security within ten days of notification that the depository bank has failed to pay deposited funds on demand.

C: RECEIVABLES ON FUNDING CONTRACTS

There were no contracts receivable at June 30, 2009, due from the Governor's Office of Elderly Affairs.

D: CHANGES IN LONG-TERM DEBT

The following is a summary of transactions relating to the Council's long-term debt during the year.

	Balance 6/30/2008	Additions	Reductions	Balance 6/30/2009
Accrued compensated absences	\$ 42,417	\$ -	\$ 14,794	\$ 27,623
	<u>\$ 42,417</u>	<u>\$ -</u>	<u>\$ 14,794</u>	<u>\$ 27,623</u>

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2009

E: FIXED ASSETS

A summary of changes to fixed assets for the year ended June 30, 2009, is as follows:

	Balance June 30, <u>2008</u>	<u>Additions</u>	<u>Deletions</u>	Balance June 30, <u>2009</u>
Vehicles	\$ 78,164	\$ 31,770	\$ -	\$ 109,934
Office furniture and equipment	143,011	-	-	143,011
Computer software	45,983	-	-	45,983
Nutrition equipment	62,045	-	-	62,045
Leasehold improvements	114,119	-	-	114,119
Capital lease equipment	62,364	-	-	62,364
	<u>\$ 505,686</u>	<u>\$ 31,770</u>	<u>\$ -</u>	<u>\$ 537,456</u>

F: LEASE COMMITMENTS

Operating Leases

On September 1, 2002, the Council entered into a lease with the City of Baton Rouge for the building that houses the Council's main office at 5790 Florida Boulevard, Baton Rouge, Louisiana. The terms of this lease require annual payments of \$1 for ten years. The Council is responsible for utilities, normal repairs, and maintenance, and liability, fire and casualty insurance.

G: IN-KIND DONATIONS

The Council received \$ 327,000 in various in-kind contributions during the year which have been valued at their estimated fair market value and presented in this report as revenue. Related expenditures, equal to the in-kind revenues, have also been presented, thereby producing no effect on net revenue.

A summary of the in-kind contributions and their respective assigned values is as follows:

The Council's main office facility was furnished by the City of Baton Rouge for \$1.00 per year. Maintenance workers are also included	\$ 215,468
Other/meal site facilities and health screening sites are furnished to the Council without charge	111,532
Total	<u>\$ 327,000</u>

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS

June 30, 2009

G: IN-KIND DONATIONS (Continued)

The Council receives additional support through services contributed by volunteers that does not meet the criteria for recognition under generally accepted accounting principles because the Council would not hire additional paid employees to perform these services if volunteers were not available.

H: DEFERRED COMPENSATION

The Council offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all Council employees and permits them to defer a portion of their salary until future years. Participation in the plan is at the employee's option.

The deferred compensation cannot be withdrawn by participating employees until termination, retirement, death or unforeseeable emergency. All assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries. In accordance with GASB statement No. 32, the Council does not present the investment in deferred compensation and the offsetting deposits and escrow accounts as assets and liabilities on its combined balance sheet. At June 30, 2009, the plan assets totaled \$131,541.

I: BOARD OF DIRECTOR'S COMPENSATION

Service on the Board of Directors is voluntary and, therefore, members are not compensated in the form of per diem. Members of the Board are reimbursed for travel expenses.

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
 June 30, 2009

J: INTERFUND TRANSFERS

Transfers in and out are listed by fund type for the year ended June 30, 2009:

<u>Transfers In</u>	<u>Transfers Out</u>					<u>Total Transfers In</u>
	<u>PCOA</u>	<u>NSIP</u>	<u>Senior Center</u>	<u>General Fund</u>	<u>Humana Meals</u>	
<u>Special Revenue Fund:</u>						
Title III B	\$ 100,000	\$ -	\$ 130,922	\$ 218,313	\$ -	\$ 449,235
Title III D	-	-	-	39,965	-	39,965
Title III E	-	-	-	48,470	-	48,470
Title III C-1	-	48,600	-	74,242	35,195	158,037
Title III C-2	-	48,600	-	237,346	-	285,946
RSVP	-	-	-	75,310	-	75,310
Utility	-	-	-	-	-	-
Assistance	-	-	-	5,837	-	5,837
Audit	-	-	-	6,924	-	6,924
						-
<u>General Fund:</u>						
Health Screening	-	-	-	85,901	-	85,901
Senior Activities	-	-	-	70,603	-	70,603
Local	-	-	-	48,905	-	48,905
Public Relations	-	-	-	192,462	-	192,462
Senior Net	-	-	-	24,554	-	24,554
Total Transfers Out	\$ 100,000	\$ 97,200	\$ 130,922	\$ 1,128,832	\$ 35,195	\$ 1,492,149

K: EMPLOYEE BENEFITS

The Council maintains a cafeteria plan allowable under IRC Section 125 for its eligible full-time employees. Employees may elect to reduce compensation to pay for personal health, dental and/or disability insurance.

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2009

L: ECONOMIC DEPENDENCY

The Council receives the majority of its revenue from grants administered by the Louisiana Governor's Office of Elderly Affairs and quarterly allocations from the City of Baton Rouge, Louisiana. The grant amounts are appropriated each year by the federal, state, and local governments. If significant budget cuts are made at the federal, state and/or local level, the Council's funding could be reduced significantly and have an adverse impact on its operations. However, management is not aware of any actions by Council funding sources that will adversely affect operations in the next fiscal year.

M: FEDERALLY ASSISTED PROGRAMS – COMPLIANCE CONTINGENCIES

Federal and State assistance programs represent an important source of funding for the Council. Major programs are audited annually in accordance with the "Single Audit Act". Prior audits have not resulted in any significant disallowed costs; however, grantor agencies may conduct or require further examinations. Based upon prior experience, Council management believes that further examination would not result in any significant disallowed costs.

During the year ended June 30, 2006, a Non Major Program, Retired Senior Volunteers Program (RSVP) was audited for the year 2005 and resulted in questioned costs of \$ 30,527.87. In December 2007, the Council appealed the audit findings based on prior audit precedents and possible calculation errors. No final determination has been received as of the date of this audit report but the Council has discontinued the Program effective January 1, 2010.

N: RELATED PARTY TRANSACTIONS

The Council is the income and principal beneficiary of The Oscar Lafleur Charitable Trust. The Trust had assets of \$ 2,338 as of June 30, 2009.

During the year ended June 30, 2009 the Trust transferred \$ 182,862 to the Council. This transfer was reported as other income in the General Fund.

EAST BATON ROUGE COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2009

O: UNCERTAINTIES: Pending Litigation

During the year ended June 30, 2007 a terminated employee of the Council filed a sexual harassment lawsuit naming the Council and its Executive Director as defendants. During the year ended June 30, 2009, the case settled with no monetary damages to the Council.

P. UNCERTAINTIES: Going Concern Issues

For the year ended June 30, 2009, the Council reported a General Fund loss of \$43,247 and General Fund balance deficit of \$75,097. The Council also used \$180,000 held in Trust. In addition, the Council reported unrestricted cash of \$(17,192) at year end. These results raised substantial doubts about the Council's ability to continue as a going concern.

Management has taken the following actions to mitigate and/or alleviate the going concern uncertainties and substantial doubt:

- Contracted out for food preparation and delivery. The new food service contract will take effect January 1, 2010.
- Reduce payroll and benefits thru attrition.
- Discontinue the RSVP Program.
- Increase revenue through public relations and fund raising.
- As of the audit report date, the Council's budget projections and year to date financial results have improved.

SUPPLEMENTARY FINANCIAL INFORMATION

Required by GASB 34

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

**EAST BATON ROUGE COUNCIL ON AGING, INC.
BATON ROUGE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2009**

REVENUES	BUDGETS		ACTUAL	FAVORABLE (UNFAVORABLE) VARIANCE
	ORIGINAL	FINAL		
Intergovernmental:				
City of Baton Rouge	\$ 892,000	\$ 912,550	\$ 912,550	-
Office of Elderly Affairs	100,000	100,000	100,000	-
Unrestricted Public Support	800	500	250	(250)
Restricted Public Support	37,000	67,000	55,573	(11,427)
Program Service Fees:				
Participant contributions	875	70	70	-
Program Income	59,700	85,675	107,678	22,003
Senior Olympics	11,825	11,630	13,222	1,592
Miscellaneous:				
Platinum Record Ad Sales	124,500	25,325	25,979	654
Resource Guide, Ad Sales	45	750	2,575	1,825
Senior Olympic Sponsorship	31,000	5,000	15,000	10,000
Golf Tourney	-	-	280	280
Interest Income	-	-	91	91
Insurance proceeds	2,050	-	-	-
Other	78,176	134,850	231,523	96,573
In-Kind Contributions	31,837	31,837	31,837	-
	<u>1,369,408</u>	<u>1,375,287</u>	<u>1,496,628</u>	<u>121,341</u>
Expenditures				
Current:				
Salaries and Wages	269,589	295,199	286,397	(8,802)
Fringe	52,330	48,287	46,251	(2,036)
Travel	16,196	28,732	29,705	973
Operating Services	129,855	137,072	127,454	(9,618)
Operating Supplies	74,497	41,114	39,781	(1,333)
Other Costs	92,142	72,921	83,662	10,741
Meals	16,919	18,112	19,309	1,197
Capital Outlay	35,000	35,000	31,770	(3,230)
Debt Service:				
Principle Retirement	-	-	-	-
Interest	10,000	-	2,107	2,107
In-Kind Services and Facilities	31,837	31,837	31,837	-
	<u>728,365</u>	<u>708,274</u>	<u>698,273</u>	<u>(10,001)</u>
Excess (deficiency) of Revenue over Expenditures	641,043	667,013	798,355	131,342
Other Financing Sources (Uses)				
Operating Transfers In	382,566	382,625	419,557	36,932
Operating Transfers Out	(1,017,769)	(1,234,350)	(1,264,027)	(29,677)
Excess (deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>\$ 5,840</u>	<u>\$ (164,712)</u>	<u>\$ (46,115)</u>	<u>\$ 138,597</u>

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

**EAST BATON ROUGE COUNCIL ON AGING, INC.
BATON ROUGE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2009**

<u>REVENUES</u>	<u>BUDGETS</u>		<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Intergovernmental:				
Office of Elderly Affairs	\$ 286,200	\$ 286,200	\$ 286,200	\$ -
Restricted Public Support	-	-	-	-
Other:				
Miscellaneous	-	-	-	-
Participant Contributions	-	-	-	-
Contributions in Kind	39,203	39,203	39,203	-
<u>Total Revenues</u>	<u>325,403</u>	<u>325,403</u>	<u>325,403</u>	<u>-</u>
<u>EXPENDITURES</u>				
Current:				
Expenditures in Kind	39,203	39,203	39,203	-
Salaries and Wages	453,239	499,084	477,266	21,818
Fringe	124,658	135,253	134,147	1,106
Travel	25,960	38,002	38,035	(33)
Operating Services	47,581	44,585	42,173	2,412
Operating Supplies	11,860	10,374	10,814	(440)
Other	35,218	35,020	33,000	2,020
Meals	-	-	-	-
<u>Total Expenditures</u>	<u>737,719</u>	<u>801,521</u>	<u>774,638</u>	<u>26,883</u>
Excess of Revenues over (under) Expenditures	(412,316)	(476,118)	(449,235)	26,883
<u>OTHER FINANCING SOURCES</u>				
<u>USES</u>				
Operating transfers in	412,316	476,118	449,235	(26,883)
Operating transfers out	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ -	\$ -	\$ -	\$ -

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

**EAST BATON ROUGE COUNCIL ON AGING, INC.
BATON ROUGE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2009**

<u>REVENUES</u>	<u>BUDGETS</u>		<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Intergovernmental:				
Office of Elderly Affairs	\$ 242,618	\$ 242,618	\$ 242,618	\$0
NSIP - commodity cash	-	-	-	-
Restricted Public Support	-	-	-	-
Other:				
Miscellaneous	-	-	-	-
Participant Contributions	44,500	48,500	49,342	842
Contributions in Kind	140,938	140,938	140,938	-
Total Revenues	<u>428,056</u>	<u>432,056</u>	<u>432,898</u>	<u>842</u>
<u>EXPENDITURES</u>				
Current:				
Expenditures in Kind	140,938	140,938	140,938	-
Salaries and Wages	190,926	209,366	231,341	(21,975)
Fringe	33,516	42,624	44,713	(2,089)
Travel	583	1,920	2,211	(291)
Operating Services	35,552	36,822	40,190	(3,368)
Operating Supplies	11,745	10,631	12,538	(1,907)
Other	8,666	8,390	8,752	(362)
Meals	121,054	113,274	110,252	3,022
Total Expenditures	<u>542,980</u>	<u>563,965</u>	<u>590,935</u>	<u>(26,970)</u>
Excess of Revenues over (under) Expenditures	(114,924)	(131,909)	(158,037)	(26,128)
<u>OTHER FINANCING SOURCES</u>				
<u>USES</u>				
Operating transfers in	114,924	131,909	158,037	26,128
Operating transfers out	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL REVENUE FUND - TITLE III C-2**

**EAST BATON ROUGE COUNCIL ON AGING, INC.
BATON ROUGE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2009**

<u>REVENUES</u>	<u>BUDGETS</u>		<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Intergovernmental:				
Office of Elderly Affairs	\$ 360,197	\$ 360,197	\$ 360,197	\$ -
NSIP - commodity cash	-	-	-	-
Restricted Public Support	-	-	4,710	4,710
Other:				
Miscellaneous	-	-	-	-
Participant Contributions	3,750	3,750	1,572	(2,178)
Contributions in Kind	<u>28,730</u>	<u>28,730</u>	<u>28,730</u>	<u>-</u>
Total Revenues	<u>392,677</u>	<u>392,677</u>	<u>395,209</u>	<u>2,532</u>
<u>EXPENDITURES</u>				
Current:				
Expenditures in Kind	28,730	28,730	28,730	-
Salaries and Wages	251,237	298,924	289,324	9,600
Fringe	40,554	53,929	52,935	994
Travel	50,768	53,090	51,683	1,407
Operating Services	39,492	44,251	43,261	990
Operating Supplies	11,156	9,965	11,040	(1,075)
Other	11,404	14,379	13,346	1,033
Meals	<u>175,027</u>	<u>199,615</u>	<u>190,836</u>	<u>8,779</u>
Total Expenditures	<u>608,368</u>	<u>702,883</u>	<u>681,155</u>	<u>21,728</u>
Excess of Revenues over (under) Expenditures	(215,691)	(310,206)	(285,946)	24,260
<u>OTHER FINANCING SOURCES</u>				
<u>USES</u>				
Operating transfers in	215,691	310,206	285,946	(24,260)
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**EAST BATON ROUGE COUNCIL ON AGING, INC.
BATON ROUGE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2009**

<u>REVENUES</u>	<u>BUDGETS</u>		<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<i>Intergovernmental:</i>				
Office of Elderly Affairs	\$ 87,921	\$ 87,921	\$ 87,921	\$ -
Restricted Public Support	-	-	-	-
<i>Other:</i>				
Miscellaneous	-	-	-	-
Participant Contributions	-	-	-	-
Contributions in Kind	-	-	-	-
<u>Total Revenues</u>	<u>87,921</u>	<u>87,921</u>	<u>87,921</u>	<u>-</u>
<u>EXPENDITURES</u>				
<i>Current:</i>				
Expenditures in Kind	-	-	-	-
Salaries and Wages	46,264	48,262	46,264	1,998
Fringe	8,855	11,242	8,855	2,387
Travel	599	1,727	599	1,128
Operating Services	19,713	16,115	19,713	(3,598)
Operating Supplies	3,594	3,028	3,594	(566)
Other	8,896	7,547	8,896	(1,349)
Meals	-	-	-	-
<u>Total Expenditures</u>	<u>87,921</u>	<u>87,921</u>	<u>87,921</u>	<u>-</u>
Excess of Revenues over (under) Expenditures	-	-	-	-
<u>OTHER FINANCING SOURCES</u>				
<u>USES</u>				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**EAST BATON ROUGE COUNCIL ON AGING, INC.
BATON ROUGE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2009**

<u>REVENUES</u>	<u>BUDGETS</u>		<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Intergovernmental:				
Office of Elderly Affairs	\$ 13,904	\$ 13,904	\$ 13,904	\$ -
Restricted Public Support	-	-	-	-
Other:				
Miscellaneous	-	-	-	-
Participant Contributions	-	-	-	-
Contributions in Kind	2,992	2,992	2,992	-
<u>Total Revenues</u>	<u>16,896</u>	<u>16,896</u>	<u>16,896</u>	<u>-</u>
<u>EXPENDITURES</u>				
Current:				
Expenditures in Kind	2,992	2,992	2,992	-
Salaries and Wages	27,447	39,020	37,354	1,666
Fringe	4,671	8,331	7,276	1,055
Travel	114	383	360	23
Operating Services	2,760	3,339	3,164	175
Operating Supplies	5,528	5,152	4,302	850
Other	1,446	1,564	1,413	151
Meals	-	-	-	-
<u>Total Expenditures</u>	<u>44,958</u>	<u>60,781</u>	<u>56,861</u>	<u>3,920</u>
Excess of Revenues over (under) Expenditures	(28,062)	(43,885)	(39,965)	3,920
<u>OTHER FINANCING SOURCES</u>				
<u>USES</u>				
Operating transfers in	28,062	43,885	39,965	(3,920)
Operating transfers out	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ -	\$ -	\$ -	\$ -

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

**EAST BATON ROUGE COUNCIL ON AGING, INC.
BATON ROUGE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2009**

<u>REVENUES</u>	<u>BUDGETS</u>		<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Intergovernmental:				
Office of Elderly Affairs	\$ 104,247	\$ 104,247	\$ 104,247	\$ -
Restricted Public Support	-	-	-	-
Other:				
Miscellaneous	-	-	-	-
Participant Contributions	-	-	-	-
Contributions in Kind	8,300	8,300	8,300	-
Total Revenues	<u>112,547</u>	<u>112,547</u>	<u>112,547</u>	<u>-</u>
<u>EXPENDITURES</u>				
Current:				
Expenditures in Kind	8,300	8,300	8,300	-
Salaries and Wages	98,064	102,286	100,294	1,992
Fringe	32,145	30,971	31,069	(98)
Travel	9,085	7,338	7,023	315
Operating Services	9,862	8,753	8,495	258
Operating Supplies	1,948	1,795	2,042	(247)
Other	4,451	4,099	3,794	305
Meals	-	-	-	-
Total Expenditures	<u>163,855</u>	<u>163,542</u>	<u>161,017</u>	<u>2,525</u>
Excess of Revenues over (under) Expenditures	(51,308)	(50,995)	(48,470)	2,525
<u>OTHER FINANCING SOURCES</u>				
<u>USES</u>				
Operating transfers in	51,308	50,995	48,470	(2,525)
Operating transfers out	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL REVENUE FUND -N.S.I.P.**

**EAST BATON ROUGE COUNCIL ON AGING, INC.
BATON ROUGE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2009**

<u>REVENUES</u>	<u>BUDGETS</u>		<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Intergovernmental:				
Office of Elderly Affairs	\$ 97,200	\$ 97,200	\$ 97,200	\$ -
Restricted Public Support	-	-	-	-
Other:				
Miscellaneous	-	-	-	-
Participant Contributions	-	-	-	-
Contributions in Kind	-	-	-	-
<u>Total Revenues</u>	<u>97,200</u>	<u>97,200</u>	<u>97,200</u>	<u>-</u>
<u>EXPENDITURES</u>				
Current:				
Expenditures in Kind	-	-	-	-
Salaries and Wages	-	-	-	-
Fringe	-	-	-	-
Travel	-	-	-	-
Operating Services	-	-	-	-
Operating Supplies	-	-	-	-
Other	-	-	-	-
Meals	-	-	-	-
<u>Total Expenditures</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues over (under) Expenditures	97,200	97,200	97,200	-
<u>OTHER FINANCING SOURCES</u>				
<u>USES</u>				
Operating transfers in	-	-	-	-
Operating transfers out	(97,200)	(97,200)	(97,200)	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ -	\$ -	\$ -	\$ -

**SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL REVENUE FUND - SENIOR CENTER**

**EAST BATON ROUGE COUNCIL ON AGING, INC.
BATON ROUGE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2009**

<u>REVENUES</u>	<u>BUDGETS</u>		<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Intergovernmental:				
Office of Elderly Affairs	\$ 281,337	\$ 281,337	\$ 281,337	\$ -
Restricted Public Support	-	-	-	-
Other:				
Miscellaneous	-	-	-	-
Participant Contributions	-	-	-	-
Contributions in Kind	75,000	75,000	75,000	-
Total Revenues	356,337	356,337	356,337	-
<u>EXPENDITURES</u>				
Current:				
Expenditures in Kind	75,000	75,000	75,000	-
Salaries and Wages	88,710	117,076	120,614	(3,538)
Fringe	26,343	25,293	26,385	(1,092)
Travel	-	-	-	-
Operating Services	3,225	4,050	3,350	700
Operating Supplies	-	-	66	-
Other	-	-	-	-
Meals	-	-	-	-
Total Expenditures	191,278	221,419	225,415	(3,996)
Excess of Revenues over (under) Expenditures	165,059	134,918	130,922	(3,996)
<u>OTHER FINANCING SOURCES</u>				
<u>USES</u>				
Operating transfers in	-	-	-	-
Operating transfers out	(165,059)	(134,918)	(130,922)	3,996
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ -	\$ -	\$ -	\$ -

SUPPLEMENTARY FINANCIAL INFORMATION

Required by: Governor's Office of Elderly Affairs

EAST BATON ROUGE COUNCIL ON AGING, INC.
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUND - NON MAJOR FUNDS
For Year Ended June 30, 2009

	Audit	Sup Senior Center	RSVP	Utility Assistance	Total Non Major Funds
Revenue					
Intergovernmental:					
City of Baton Rouge	\$ -	\$ -	-	-	-
Office of Elderly Affairs	9,726	59,307	28,549	-	97,582
Corporation for National and Community Service	-	-	37,371	-	37,371
Unrestricted Public Support	-	-	-	-	-
Restricted Public Support	-	-	-	-	-
Miscellaneous:					
General Public via Entergy	-	-	-	35,502	35,502
In-Kind Contributions	-	-	-	-	-
	<u>9,726</u>	<u>59,307</u>	<u>65,920</u>	<u>35,502</u>	<u>170,455</u>
Expenditures					
Current:					
Salaries and Wages	-	-	84,544	3,977	88,521
Fringe	-	-	10,592	1,258	11,850
Travel	-	-	1,735	38	1,773
Operating Services	-	-	12,027	337	12,364
Operating Supplies	-	-	3,423	76	3,499
Other Costs	16,650	-	28,909	150	45,709
Capital Outlay	-	-	-	-	-
Utility Assistance	-	-	-	59,021	59,021
Sub Grantee	-	59,307	-	-	59,307
In-Kind Services and Facilities	-	-	-	-	-
	<u>16,650</u>	<u>59,307</u>	<u>141,230</u>	<u>64,857</u>	<u>282,044</u>
Excess (deficiency) of Revenue over Expenditures	(6,924)	-	(75,310)	(29,355)	(111,589)
Other Financing Sources (Uses)					
Operating Transfers In	6,924	-	75,310	5,837	88,071
Operating Transfers Out	-	-	-	-	-
	<u>6,924</u>	<u>-</u>	<u>75,310</u>	<u>5,837</u>	<u>88,071</u>
Excess (deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	-	-	-	(23,518)	(23,518)
Fund Balances					
Beginning of Year	-	-	-	127,011	127,011
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 103,493</u>	<u>\$ 103,493</u>

EAST BATON ROUGE COUNCIL ON AGING, INC.
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
GENERAL FUNDS
For the Year Ended June 30, 2009

Revenue	Humana Meals	Local	PCOA	Health Screening	Case Management	Senior Activities	Paid Meals Program	Public Relations	Senior Net	Total
<i>Intergovernmental:</i>										
City of Baton Rouge	\$ -	\$ 912,550	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 912,550
Office of Elderly Affairs	-	-	100,000	-	-	-	-	-	-	100,000
Unrestricted Public Support	-	250	-	-	-	-	-	-	-	250
Restricted Public Support	-	8,511	-	-	21,900	25,162	-	-	-	55,573
Program Service Fees:										
Participant Contributions	-	-	-	-	-	-	-	70	-	70
Program Income	45,908	675	-	-	721	59,389	-	-	975	107,678
Senior Olympics	-	-	-	-	-	-	-	13,222	-	13,222
Miscellaneous:										
Platinum Record Ad Sales	-	-	-	-	-	-	-	25,979	-	25,979
Resource Guide, Ad Sales	-	-	-	-	-	-	-	2,575	-	2,575
Senior Olympics Sponsorship	-	-	-	-	-	-	-	15,000	-	15,000
Other	-	183,784	-	-	-	46,965	-	774	-	231,523
Golf Tourney	-	-	-	-	-	-	-	280	-	280
Interest Income	-	91	-	-	-	-	-	-	-	91
In-Kind Contributions	-	31,837	-	-	-	-	-	-	-	31,837
	45,908	1,137,698	100,000	-	-	69,586	84,561	57,900	975	1,498,628

Expenditures	Humana Meals	Local	PCOA	Health Screening	Case Management	Senior Activities	Paid Meals Program	Public Relations	Senior Net	Total
<i>Current:</i>										
Salaries and Wages	15,723	10,755	-	60,259	-	26,258	29,079	124,283	20,040	286,397
Fringe	2,246	1,301	-	9,060	-	4,295	5,318	21,571	2,460	46,251
Travel	11,853	16	-	6,233	-	3,740	5,190	2,481	192	29,705
Operating Services	-	20,153	-	6,245	-	9,389	4,347	85,623	1,697	127,454
Operating Supplies	-	1,230	-	1,824	-	23,210	1,109	12,026	382	38,781
Other Costs	-	1,360	-	2,280	-	60,796	1,100	17,368	758	83,662
Meals	-	-	-	-	-	-	19,309	-	-	19,309
Capital Outlay	-	31,770	-	-	-	-	-	-	-	31,770
Debt Service:										
Principle Retirement	-	-	-	-	-	-	-	-	-	-
Interest	-	2,107	-	-	-	-	-	-	-	2,107
In-Kind Services and Facilities	-	31,837	-	-	-	-	-	-	-	31,837
	29,822	100,529	-	85,901	-	127,686	65,452	263,362	25,529	698,273
Excess (deficiency) of Revenue over Expenditures	18,086	1,037,169	100,000	(85,901)	-	(58,102)	19,109	(205,452)	(24,554)	798,355
<i>Other Financing Sources (Uses)</i>										
Operating Transfers In	-	48,905	-	85,901	-	70,603	-	192,462	24,554	422,425
Operating Transfers Out	-	(1,128,832)	(100,000)	-	-	-	(35,195)	-	-	(1,264,027)
	-	(1,079,927)	(100,000)	85,901	-	70,603	(35,195)	192,462	24,554	(841,802)
Excess (deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	16,086	(42,758)	-	-	-	12,501	(16,086)	(12,990)	-	(43,247)
<i>Fund Balances</i>										
Beginning of Year	4,199	(49,471)	-	-	4,099	45,539	-	(36,216)	-	(31,850)
End of Year	\$ 20,285	\$ (92,229)	\$ -	\$ -	\$ 4,099	\$ 58,040	\$ (16,086)	\$ (49,206)	\$ -	\$ (75,097)

EAST BATON ROUGE COUNCIL ON AGING, INC.
COMPARATIVE SCHEDULE OF GENERAL FIXED ASSETS
AND CHANGES IN GENERAL FIXED ASSETS

For the Year Ended June 30, 2009

	Balance June 30, 2008	Reclass- ifications	Additions	Deletions	Balance June 30, 2009
GENERAL FIXED ASSETS					
Vehicles	\$ 78,164	\$ -	\$ 31,770	\$ -	\$ 109,934
Office furniture and equipment	143,011	-	-	-	143,011
Computer software	45,983	-	-	-	45,983
Nutrition equipment	62,045	-	-	-	62,045
Leasehold improvements	114,119	-	-	-	114,119
Capital lease equipment	<u>62,364</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>62,364</u>
TOTAL GENERAL FIXED ASSETS	<u>\$ 505,686</u>	<u>\$ -</u>	<u>\$ 31,770</u>	<u>\$ -</u>	<u>\$ 537,456</u>
INVESTMENT IN GENERAL FIXED ASSETS					
Property acquired with funds from:					
General fund	\$ 499,068	\$ -	\$ 31,770	\$ -	\$ 530,838
RSVP	1,060	-	-	-	1,060
PCOA	3,558	-	-	-	3,558
Donations from the general public	<u>2,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,000</u>
TOTAL INVESTMENT IN GENERAL FIXED ASSETS	<u>\$ 505,686</u>	<u>\$ -</u>	<u>\$ 31,770</u>	<u>\$ -</u>	<u>\$ 537,456</u>

EAST BATON ROUGE COUNCIL ON AGING, INC.
SCHEDULE OF RSVP ACTIVITY
For the Grant Year Ended December 31, 2008

	<u>Actual</u>	<u>Actual %</u>	<u>Budget</u>	<u>Budget %</u>
Volunteer support	80,057	74%	\$ 79,878	77%
Volunteer expense	<u>27,692</u>	<u>26%</u>	<u>23,410</u>	<u>23%</u>
Total costs incurred	107,749	100%	<u>\$ 103,288</u>	<u>100%</u>
Cost paid with local match	<u>36,678</u>	34%		
Costs remaining to be paid with The Corporation for National and Community Service and GOEA funds	<u>71,071</u>			
Costs paid for with GOEA (State) funds received	11,990			
Costs paid with funds from The Corporation for National and Community Service	<u>59,081</u>			
Total	<u>71,071</u>			

EAST BATON ROUGE COUNCIL ON AGING, INC.
SCHEDULE OF PRIORITY SERVICES
TITLE III-B – GRANT FOR SUPPORTIVE SERVICES
For the Year Ended June 30, 2009

	<u>Amount</u>	<u>Total</u>	<u>% of GOEA Grant</u>
Access (43%):			
Information & assistance	\$ 241,714		
Outreach	<u>77,616</u>		
Total access expenses		\$ 319,330	<u>111.57%</u>
In-Home (43%):			
Homemaker	260,432		
Other Priority Services	13,363		
Personal care	<u>43,962</u>		
Total in-home expenses		317,757	<u>111.03%</u>
Legal (12%)			
Legal assistance		14,645	<u>5.12%</u>
Non-priority services		<u>83,703</u>	
Total III-B – supportive services expenditures		735,435	
Less: Other public support			
Transfers In		<u>(449,235)</u>	
Title III-B – supportive services grant		286,200	
Less: Transfers of contract allotments			
State homemaker		(62,531)	
State transportation		<u>-</u>	
Original grant award net of additional state homemaker and transportation funds and transfers of contract allotments		<u>\$ 223,669</u>	

SUPPLEMENTARY FINANCIAL INFORMATION

REQUIRED BY: OMB CIRCULAR A-133

EAST BATON ROUGE COUNCIL ON AGING, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2009

Federal Grantor/Pass Through Grantors/Program Title	Federal CFDA Number	Grant Year End	Program or Award Amount	Revenue Recognized	Total Federal Expenditures
U.S. Department of Health and Human Services – Administration on Aging					
Passed Through the Louisiana Governor's Office of Elderly Affairs: Special Programs for the Aging:					
Title III, Part B					
Supportive Services	93.044	6/30/2009	\$ 190,119	\$ 190,119	\$ 190,119
Title III, Part C – Area Agency Administration					
Title III, Part C-1 Nutritional Services	93.045	6/30/2009	65,941	65,941	65,941
Congregate Meals	93.045	6/30/2009	185,481	185,481	185,481
Title III, Part C-2 Nutritional Services					
Home Delivered Meals	93.045	6/30/2009	<u>125,778</u>	<u>125,778</u>	<u>125,778</u>
Total Title III, Part C			<u>377,200</u>	<u>377,200</u>	<u>377,200</u>
Title III, Part D Disease Prevention and Health Promotion Services					
	93.043	6/30/2009	13,904	13,904	13,904
Title III, Part E Family Caregiver Program					
	93.052	6/30/2009	<u>78,185</u>	<u>78,185</u>	<u>78,185</u>
Total for U.S. Department Of Health and Human Services			<u>92,089</u>	<u>92,089</u>	<u>92,089</u>
U.S. Department of Agriculture					
Passed Through the Louisiana Governor's Office of Elderly Affairs:					
NSIP- Nutritional Supplement Incentive Program	93.053	6/30/2009	<u>97,200</u>	<u>97,200</u>	<u>97,200</u>
The Corporation for National and Community Service					
Direct Programs:					
Retired Senior Volunteer Program (RSVP)	94.002	12/31/2008	60,132	6,683	6,683
Retired Senior Volunteer Program (RSVP)	94.002	6/30/2009	<u>59,081</u>	<u>30,687</u>	<u>30,687</u>
			<u>119,213</u>	<u>37,370</u>	<u>37,370</u>
			<u>\$ 875,821</u>	<u>\$ 793,978</u>	<u>\$ 793,978</u>

Note: This schedule is prepared using modified accrual basis of accounting as contemplated under accounting principles generally accepted in the United States of America and which is the same basis of accounting applied on the general purpose financial statement.

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

East Baton Rouge Council on Aging, Inc.
Baton Rouge, Louisiana, USA

We have audited the financial statements of East Baton Rouge Council on Aging, Inc. as of and for the year ended June 30, 2009, and have issued our report thereon dated December 10, 2009. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered East Baton Rouge Council on Aging Inc.'s internal control over financial reporting as a basis for designing our auditing procedures 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 East Baton Rouge Council on Aging, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Council's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Council's financial statements that is more than inconsequential will not be prevented or detected by the Council's internal

control. We consider the deficiencies described in the accompanying schedule of findings and responses on page 59 to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Council's internal control.

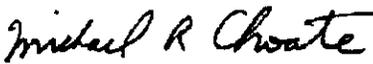
Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

Compliance and Other Matters

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

East Baton Rouge Council on Aging, Inc.'s response to the findings identified in our audit are described in the accompanying schedule of findings and responses. We did not audit East Baton Rouge Council on Aging, Inc.'s response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, others within the Council, and is not intended to be and should not be used by anyone other than these specified parties.


Michael R. Choate & Company
Certified Public Accountants

December 10, 2009

Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133

East Baton Rouge Council on Aging, Inc.
Baton Rouge, Louisiana, USA

Compliance

We have audited the compliance of East Baton Rouge Council on Aging, Inc. with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The Council's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Council's management. Our responsibility is to express an opinion on the Council's compliance based on our audit.

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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 East Baton Rouge Council on Aging, Inc.'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. Our audit does not provide a legal determination of East Baton Rouge Council on Aging, Inc.'s compliance with those requirements.

In our opinion, East Baton Rouge Council on Aging, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009. However, the results of our auditing procedures disclosed no instances of noncompliance with

those requirements, which are required to be reported in accordance with OMB Circular A-133.

Internal Control over Compliance

The management of East Baton Rouge Council on Aging, Inc. is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered East Baton Rouge Council on Aging, Inc.'s internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items C:1 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. We did not consider any of the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses.

East Baton Rouge Council on Aging, Inc.'s response to the findings identified in our audit are described in the accompanying schedule of findings and questioned

costs. We did not audit East Baton Rouge Council on Aging, Inc.'s response and, accordingly, we express not opinion on it.

This report is intended solely for the information and use of management, others within the Council, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

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

December 10, 2009

EAST BATON ROUGE COUNCIL ON AGING, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2009

B: FINDING – FINANCIAL STATEMENT AUDIT

One significant deficiency, no material weaknesses noted.

1. Budgets should be amended earlier in the year to avoid incurring budget and actual deficits.

The June 30, 2009 budget was amended May 26, 2009 and reported a budget deficit of (\$200,000). The year end actual deficit in the General Fund was (\$43,247) for 2009 and (\$193,638) for 2008. The Council budgets should be amended timely so additional deficits at this level can be avoided. This is a repeat finding.

Response: The budgets are amended on a timely basis when necessary. Each month the board of directors reviews the financial statements which include a comparison of budget to actual. The deficits, if any, are addressed at this time. Efforts are made by management throughout the year to alleviate any deficits as they occur.

C: FINDINGS AND QUESTIONED COSTS- MAJOR FEDERAL AWARD PROGRAM AUDIT

U.S. Department of Health and Human Services
Special Programs for the Aging:
Title III-B – Supportive Services; CFDA #93.044
Title III-C – Nutritional Services; CFDA # 93.045
Title III-D – Disease Prevention and Health Promotion Services; CFDA #93.043
Title III-E – Caregiver Support; CFDA #93.052

1. **One Significant Deficiency - No material weaknesses noted**

The Governor's Office of Elderly Affairs requires the Council on Aging to report units of service each month. (The Agency Summary Report). Audit tests revealed that the units of service in the "SAMS" report is not reconciled to the underlying summary count sheets. Two months were tested for the Title C-1 and Title C-2 meals program. Instances of over reporting and under reporting were observed. The variance was less than 1% for C-1 Congregate Meals and for the C-2 Home Delivered Meals. It is recommended that the monthly Agency Summary Report be approved in writing and new employees be properly trained in documentation process. This is a repeat finding.

Response: New personnel in the MIS department have been the underlying reasons for the deficiencies noted during the audit. Also, the effects of hurricane Gustav has caused some training delays. The EBRCOA will definitely fix the personnel problems associated with the deficiencies to correct the problem. We would like the Governor's Office of Elderly Affairs assistance with our personnel with this problem to insure this does not happen again in the future.

EAST BATON ROUGE COUNCIL ON AGING, INC.
PRIOR YEAR FINDINGS
Year Ended June 30, 2008

B: FINDING – FINANCIAL STATEMENT AUDIT

One significant deficiency, no material weaknesses noted.

1. **Budgets should be amended earlier in the year to avoid reporting budget and actual deficits.**

The June 30, 2008 budget was amended in March 2008 and reported a budget deficit of (\$104,309). The year end actual deficit in the General Fund was (\$193,638) for 2008 and (\$65,381) for 2007. The Council budgets should be amended timely so additional deficits at this level can be avoided.

C: FINDINGS AND QUESTIONED COSTS- MAJOR FEDERAL AWARD PROGRAM AUDIT

U.S. Department of Health and Human Services
Special Programs for the Aging:

Title III-B – Supportive Services; CFDA #93.044
Title III-C – Nutritional Services; CFDA # 93.045
Title III-D – Disease Prevention and Health Promotion Services; CFDA #93.043
Title III-E – Caregiver Support; CFDA #93.052

1. **One Significant Deficiency - No material weaknesses noted**

The Governor's Office of Elderly Affairs requires the Council on Aging to report units of service each month. (The Agency Summary Report). Audit tests revealed that the units of service in the "SAMS" report is not reconciled to the underlying summary count sheets. Two months were tested for the Title C-1 and Title C-2 meals program. Instances of over reporting and under reporting were observed. The variance was less than 1% for C-1 Congregate Meals and for the C-2 Home Delivered Meals. It is recommended that the monthly Agency Summary Report be approved in writing and new employees be properly trained in documentation process.

EXIT CONFERENCE

**East Baton Rouge Council on Aging, Inc.
Baton Rouge, Louisiana**

June 30, 2009

The exit conference was held on December 10, 2009, the last day of field work of the audit. Those in attendance were Michael R. Choate, Certified Public Accountant; and Johnny Dykes, Executive Director of the Council. The observations and findings of the audit were discussed.