

NEW ORLEANS COUNCIL ON AGING, INC.
COMPREHENSIVE ANNUAL FINANCIAL REPORT
June 30, 2010

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 3/2/11

CASCIO & SCHMIDT, LLC
Certified Public Accountants

NEW ORLEANS COUNCIL ON AGING, INC.

**Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2010**

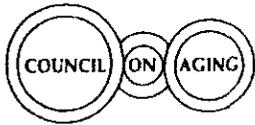
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STATE FUNDED SENIOR CENTERS**

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Executive Director

**NEW ORLEANS COUNCIL ON AGING, INC.
MANAGEMENTS'S DISCUSSION AND ANALYSIS (UNAUDITED)
June 30, 2010**

Within this section of the New Orleans Council on Aging, Inc.'s annual financial report, New Orleans Council on Aging, Incorporated's (N.O.C.O.A.) management is pleased to provide this narrative discussion and analysis of the financial activities of the N.O.C.O.A. for the year ended June 30, 2010. N.O.C.O.A.'s financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

FINANCIAL HIGHLIGHTS

Net Assets - The assets of NOCOA exceeded its liabilities by \$685,034 (2009 - \$243,801), presented as "net assets". Total net assets are comprised of the following:

- Capital assets, include property and equipment, net of accumulated depreciation, as follows:

	<u>2010</u>	<u>2009</u>
Transportation equipment, less accumulated depreciation	\$ <u>77,122</u>	\$ <u>7,818</u>

- Restricted assets

	<u>2010</u>	<u>2008</u>
Grant revenue from Entergy for utility assistance	\$ 56,082	\$ 56,802
Nutrition Service	155,870	13,587
Other	<u>32,274</u>	<u>36,572</u>
	\$ <u>244,266</u>	\$ <u>93,374</u>

- Unrestricted net assets amount to \$363,686 for 2010, \$(142,609) for 2009.

Changes in Net Assets - N.O.C.O.A.'s total net assets increased by \$441,233; \$66,643 for 2009.

NEW ORLEANS COUNCIL ON AGING, INC.
MANAGEMENTS'S DISCUSSION AND ANALYSIS (UNAUDITED)
June 30, 2010

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management's Discussion and Analysis document introduces N.O.C.O.A.'s basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. This report also includes certain other additional information to supplement the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The **government-wide financial statements** are designed to provide readers with a broad overview of the New Orleans Council On Aging, Inc.'s finances, in a manner similar to a private-sector business.

The **Statement of Net Assets** presents information on all of the New Orleans Council On Aging, Inc.'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 or not the financial position of the New Orleans Council on Aging, Inc. is deteriorating.

The **Statement of Activities**, reports how N.O.C.O.A.'s net assets changed during the current fiscal year. All current year revenue and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the reliance of N.O.C.O.A.'s distinct activities or functions on revenues resulting from services provided by N.O.C.O.A., and to other governmental agencies.

The government-wide financial statements present governmental activities of N.O.C.O.A., that are principally supported by funding from the Governor's Office of Elderly Affairs, the City of New Orleans, and other various grants received by this agency over the fiscal year ended June 30, 2010.

The government-wide financial statements are presented on pages 10 and 11 of this report.

FUND FINANCIAL STATEMENTS

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. *The Council uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Council's most significant funds rather than the Council as a whole.*

The Council uses only governmental funds.

Governmental funds are reported in the fund financial statements and encompass the same function reported as government activities in the government-wide financial statements. However, the focus is different with fund statements providing a distinctive view of the Council's governmental funds, including object classifications. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of the programs and the commitment of spendable resources for the near-term.

NEW ORLEANS COUNCIL ON AGING, INC.
MANAGEMENTS'S DISCUSSION AND ANALYSIS (UNAUDITED)
June 30, 2010

The basic governmental fund financial statements are presented on pages 11 through 18 of this report.

Notes to the basic financial statements:

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 19 of this report.

Other information:

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Council's budget presentations. Budgetary comparison statements are included as "required supplementary information" for the general fund. These schedules demonstrate compliance with the Council's amended and final budget.

Title III (C1) - Congregate Meals Program, Title III (C2) - Home Delivered Meals Program. Title III B Supportive Services, NISP Cash in Lieu of Commodities, Supplemental Senior Center, and Senior Center Program.

These schedules demonstrate compliance with the Council and final budget.

FINANCIAL ANALYSIS OF THE OFFICE AS A WHOLE

The Council implemented the new financial reporting model used in this report beginning with the fiscal year ended June 30, 2005. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the Council as a whole.

The Council's net assets at fiscal year-end are \$685,034 (2009 - \$243,801). The following table provides a summary of the Council's assets, liabilities and net assets.

GOVERNMENTAL ACTIVITIES

<u>Assets</u>	<u>2010</u>	<u>2009</u>
Cash	\$ 584,323	\$ 408,538
Receivables	242,243	18,451
Capital Assets	<u>77,122</u>	<u>7,818</u>
Total Assets	\$ <u>903,688</u>	\$ <u>434,807</u>

NEW ORLEANS COUNCIL ON AGING, INC.
MANAGEMENTS'S DISCUSSION AND ANALYSIS (UNAUDITED)
June 30, 2010

Liabilities:

	<u>2010</u>	<u>2009</u>
Accounts payable and current liabilities	\$ <u>218,654</u>	\$ <u>191,006</u>
Total liabilities	218,654	191,006

Net Assets:

Investment in net capital assets	\$ 77,122	\$ 7,818
Restricted	244,226	93,374
Unrestricted	<u>363,686</u>	<u>142,609</u>
Total net assets	\$ <u>685,034</u>	\$ <u>243,801</u>

Overall, the Council reported net assets of \$685,034. This amount is \$441,223 greater than the prior year.

Comparative data is accumulated and presented to assist analysis in future years.

The following table provides a summary of the Office's changes in net assets:

Summary of Changes in Net Assets

Governmental Activities

Revenues:

	<u>2010</u>	<u>2009</u>
Operating grants and contributions	\$ 4,877,222	\$ 4,062,470
Charges for services	28,104	33,061
Interest income	1,990	3,398
Other Income	<u>45,872</u>	<u>97,738</u>
Total Revenue	\$ <u>4,953,188</u>	\$ <u>4,196,667</u>

Expenses:

Personnel	\$ 1,421,061	\$ 1,424,980
Fringes	229,180	220,334
Travel	110,315	122,587
Operating Services	285,860	325,574
Operating Supplies	142,193	58,506
Other costs	63,534	107,224
Capital outlay	109,083	-
Full service contracts	1,408,278	1,084,195

NEW ORLEANS COUNCIL ON AGING, INC.
MANAGEMENTS'S DISCUSSION AND ANALYSIS (UNAUDITED)
June 30, 2010

	<u>2010</u>	<u>2009</u>
Expenses (continued)		
Food costs	660,436	652,114
Utility assistance	<u>151,319</u>	<u>114,064</u>
Total Expenses	<u>4,581,259</u>	<u>4,109,578</u>
Increase (decrease) in net assets	371,929	87,089
Net assets, beginning of year	<u>235,983</u>	<u>148,894</u>
Net assets, end of year	\$ <u>607,912</u>	\$ <u>235,983</u>

GOVERNMENTAL REVENUES:

The Council is heavily reliant on municipal, state and federal grants to support its operations.

GOVERNMENTAL FUNCTIONAL EXPENSES:

The total function of the Council is to serve the elderly. A schedule of functional expenses is as follows.

FUNCTIONS/PROGRAMS

Program Expenses	
Supportive services	\$ 624,813
Nutrition services	1,248,070
Utility assistance	176,722
Multipurpose senior centers	1,217,506
Preventive Health	24,940
Retired senior volunteers	114,360
Senior companion	281,224
Caregiver	201,827
Senior Rx	92,099
Mental health	<u>13,348</u>
Total Program Expenses	\$ <u>3,994,909</u>
Supportive Services	
General and Administrative	<u>517,046</u>
Total Functional Expenses	\$ <u>4,511,955</u>

NEW ORLEANS COUNCIL ON AGING, INC.
MANAGEMENTS'S DISCUSSION AND ANALYSIS (UNAUDITED)
June 30, 2010

FINANCIAL ANALYSIS OF THE COUNCIL'S FUNDS

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of year in comparison with upcoming financing requirements. Governmental funds reported an ending fund balance of \$607,912 (2009 - \$235,983), the unrestricted fund balance totaled \$363,686; (2009 - \$142,609), which represents an increase of \$221,077; increase of \$77,694 for 2009.

Major and Non-Major Governmental Funds

The General Fund is the Council's primary operating fund. The governmental fund balance for the year ended June 30, 2010 increased by approximately \$221,077; increased \$77,694 for 2009.

BUDGETARY HIGHLIGHTS

When the original budget was adopted, it was anticipated that the total revenues and total expenditures were going to approximate those of the previous fiscal year adjusted, for inflation and salary increases. While there were no significant deviations from the original approved budget, the Council ended the fiscal year with an operating surplus of approximately \$371,929, and \$87,089 in 2009.

CAPITAL ASSETS

Capital assets consist of the following:

	<u>2010</u>	<u>2009</u>
Depreciable assets:		
Transportation Equipment	\$ 171,859	\$ 62,776
Less Accumulated Depreciation	(94,737)	(54,958)
	<u>\$ 77,122</u>	<u>\$ 7,818</u>

Depreciation on the transportation equipment for the year totaled \$39,779 (2009 - \$20,446).

NEW ORLEANS COUNCIL ON AGING, INC.
MANAGEMENTS'S DISCUSSION AND ANALYSIS (UNAUDITED)
June 30, 2010

ECONOMIC OUTLOOK

The 2009-2010 program year for the New Orleans Council on Aging funding is still affected by the events of August 29, 2005, Hurricane Katrina, and the national economic conditions of the past year.

Currently, the State of Louisiana anticipates a budget short fall of 35% for the year 2011-2012, and we are not certain of the effects on our funding and service delivery.

As the City of New Orleans continues to rebuild after the storm, there still exists a shortage of available services for the elderly. With scattered city health care facilities, the New Orleans Council on Aging is still experiencing waiting lists for services.

Congregate Meals Sites, Home Delivered Meals (Meals on Wheels), Homemaker Services, and the operations of two Senior Centers in City facilities are a priority for this organization. We anticipate that two more Senior Centers in City buildings will be in the rebuilding stage by 2011. The Governor's Office of Elderly Affairs and the Administration on Aging are aware of the need for additional services in the City of New Orleans. Our primary funding agencies are assisting us in developing additional funding to move forward in our mission.

The New Orleans Council on Aging has enlisted the aid of local companies and foundations to help with fundraising activities.

Entergy New Orleans, Harrah's New Orleans Entertainment, Meals on Wheels New Orleans Fund, Inc., New Orleans Hornets, Peoples Health Network, United Way of Greater New Orleans, and Walmart State Giving have made significant contributions.

Additionally, the Friends of New Orleans Council on Aging continue to have productive fund raising activities with dinners and the Annual Halloween fundraising event.

The Board of Directors of the New Orleans Council on Aging continues to assist with fund raising activities for our organization.

Contacting the Council's Financial Management

The financial report is designed to provide a general overview of the Council's finances, comply with state laws and regulations, and demonstrate the Council's commitment to public accountability. If you have any questions about this report or would like to request additional information, please contact the New Orleans Council on Aging, Inc.'s office at (504) 821-4121.

CASCIO & SCHMIDT, LLC

CERTIFIED PUBLIC ACCOUNTANTS

FRANCIS J. CASCIO, CPA
STEVEN A. SCHMIDT, CPA

MEMBERS
AMERICAN INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA CERTIFIED
PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
New Orleans Council on Aging, Inc.

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of New Orleans Council on Aging, Inc. as of and for the year ended June 30, 2010, which collectively comprise the New Orleans Council on Aging, Inc.'s basic financial statements as listed in the table of contents. These financial statements are the responsibility of New Orleans Council on Aging, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Council's 2009 financial statements and, in our report dated October 13, 2009, we expressed an unqualified opinion of the governmental activities, each major fund, and the aggregate remaining fund information.

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 opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the New Orleans Council on Aging, Inc. as of June 30, 2010, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated September 30, 2010, on our consideration of New Orleans Council on Aging, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 1 through 7, and budgetary comparison information on pages 33 through 39, 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.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the New Orleans Council on Aging, Inc.'s basic financial statements. The combining and individual nonmajor fund financial statements, and schedule of operating transfers in and out, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes 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 also not a required part of the basic financial statements of New Orleans Council on Aging, Inc. The combining and individual nonmajor fund financial statements, schedule of operating transfers in and out, and the schedule of expenditures of federal awards, 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.

Carris & Schmitt, L.L.C.

Metairie, Louisiana
September 30, 2010

NEW ORLEANS COUNCIL ON AGING, INC.

STATEMENT OF NET ASSETS

June 30, 2010

	Governmental Activities	Total Memorandum Only <u>June 30, 2009</u> Governmental Activities
ASSETS		
Cash and cash equivalents	\$ 584,323	\$ 408,538
Receivables		
Grant	242,200	18,000
Other	43	451
Capital assets, net of accumulated depreciation	<u>77,122</u>	<u>7,818</u>
Total assets	<u>903,688</u>	<u>434,807</u>
LIABILITIES		
Accounts payable and accrued liabilities	110,318	88,298
Accrued compensated absences	<u>108,336</u>	<u>102,708</u>
Total liabilities	<u>218,654</u>	<u>191,006</u>
NET ASSETS		
Invested in capital assets	77,122	7,818
Restricted		
Nutrition services	155,870	13,587
Other	88,356	79,787
Unrestricted	<u>363,686</u>	<u>142,609</u>
Total net assets	<u>\$ 685,034</u>	<u>\$ 243,801</u>

The notes to the financial statements are an integral part of this statement.

NEW ORLEANS COUNCIL ON AGING, INC.

STATEMENT OF ACTIVITIES

For the year ended June 30, 2010

FUNCTIONS/PROGRAMS	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS	Total Memorandum Only For the Year ended June 30, 2008
	EXPENSES	CHARGES FOR SERVICES		
Primary Government				
Governmental Activities				
General	\$ 356,779	\$ -	\$ 720,498	\$ 363,719
Supportive services	624,813	-	474,396	(150,217)
Nutrition services	1,248,070	28,104	1,409,443	189,477
Utility assistance	176,722	-	181,846	5,124
Multipurpose senior centers	1,217,506	-	1,256,158	38,652
Preventive Health	24,940	-	22,342	(2,398)
Retired senior volunteers	114,360	-	109,298	(5,062)
Senior companion	281,224	-	281,139	(85)
Caregiver	201,827	-	207,510	5,683
Senior Rx	92,099	-	92,099	-
Mental Health	13,348	-	13,348	-
Administration	160,267	-	154,617	(5,650)
Total Governmental Activities	\$ 4,511,955	\$ 28,104	\$ 4,923,094	439,243
General Revenues:				
Unrestricted interest				1,990
Transfers in (out)				-
Total general revenue and transfers				1,990
Change in net assets				441,233
Net Assets				
Beginning of year				177,158
End of year				\$ 243,801

The notes to the financial statements are an integral part of this statement.

NEW ORLEANS COUNCIL ON AGING, INC.

BALANCE SHEET
GOVERNMENTAL FUNDS

June 30, 2010

	<u>GENERAL FUND</u>	<u>TITLE III C1 SUPPORTIVE SERVICES</u>	<u>NSIP CASH IN LIEU OF COMMODITIES</u>
ASSETS			
Cash and cash equivalents	\$ 420,690	\$ -	\$ 155,870
Receivables			
Grants	225,000	-	-
Other	43	-	-
Due from other funds	<u>-</u>	<u>10,534</u>	<u>-</u>
Total assets	<u>\$ 645,733</u>	<u>\$ 10,534</u>	<u>\$ 155,870</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 92,444	\$ 10,534	\$ -
Accrued compensated absences	108,336	-	-
Due to other funds	<u>81,267</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>282,047</u>	<u>10,534</u>	<u>-</u>
Fund balances:			
Unreserved			
General Fund	363,686	-	-
Special Revenue Funds	<u>-</u>	<u>-</u>	<u>155,870</u>
Total fund balances	<u>363,686</u>	<u>-</u>	<u>155,870</u>
Total liabilities and fund balances	<u>\$ 645,733</u>	<u>\$ 10,534</u>	<u>\$ 155,870</u>

The notes to the financial statements are an integral part of this statement.

NEW ORLEANS COUNCIL ON AGING, INC.

**BALANCE SHEET
GOVERNMENTAL FUNDS - Continued**

June 30, 2010

	TITLE III C2 HOME DELIVERED MEALS PROGRAM	OTHER GOVERNMENTAL FUNDS
	<u> </u>	<u> </u>
ASSETS		
Cash and cash equivalents	\$ -	\$ 7,763
Receivable		
Grants	-	17,200
Other	-	-
Dues from other funds	<u>3,577</u>	<u>67,156</u>
Total assets	\$ <u>3,577</u>	\$ <u>92,119</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable and accrued liabilities	3,577	3,763
Accrued compensated absences	-	-
Due to other funds	<u>-</u>	<u>-</u>
Total liabilities	<u>3,577</u>	<u>3,763</u>
Fund balances:		
Unreserved		
General Fund	-	-
Special Revenue Funds	<u>-</u>	<u>88,356</u>
Total fund balances	<u>-</u>	<u>88,356</u>
Total liabilities and fund balances	\$ <u>3,577</u>	\$ <u>92,119</u>

The notes to the financial statements are an integral part of this statement.

NEW ORLEANS COUNCIL ON AGING, INC.

**BALANCE SHEET
GOVERNMENTAL FUNDS - Continued**

June 30, 2010

	<u>TOTAL GOVERNMENTAL FUNDS</u>	<u>TOTAL MEMORANDUM ONLY JUNE 30, 2009</u>
ASSETS		
Cash and cash equivalents	\$ 584,323	\$ 408,538
Receivables		
Grants	242,200	18,000
Other	43	451
Dues from other funds	<u>81,267</u>	<u>37,568</u>
 Total assets	 <u>\$ 907,833</u>	 <u>\$ 464,557</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable and accrued liabilities	110,318	88,298
Accrued compensated absences	108,336	102,708
Due to other funds	<u>81,267</u>	<u>37,568</u>
 Total liabilities	 <u>299,921</u>	 <u>228,574</u>
Fund balances:		
Unreserved		
General Fund	363,686	142,609
Special Revenue Funds	<u>244,226</u>	<u>93,374</u>
 Total fund balances	 <u>607,912</u>	 <u>235,983</u>
 Total liabilities and fund balances		
 Amounts reported for governmental activities in the statement of net assets are different because:		
 Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		
	<u>77,122</u>	<u>7,818</u>
 Net assets of governmental activities	 <u>\$ 685,034</u>	 <u>\$ 243,801</u>

The notes to the financial statements are an integral part of this statement.

NEW ORLEANS COUNCIL ON AGING, INC.

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE
SHEET TO THE STATEMENT OF NET ASSETS**

For the year ended June 30, 2010

	For the year ended <u>June 30, 2010</u>	Total <u>Memorandum Only</u> For the year ended <u>June 30, 2009</u>
Amounts reported for governmental activities in the Statement of Net Assets are different because:		
Total Fund Balances at June 30, 2010 - Governmental funds	\$ 607,912	\$ 235,983
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets are \$171,859, and the accumulated depreciation is \$94,737 .	<u>77,122</u>	<u>7,818</u>
Total Net Assets of Governmental Activities at June 30, 2010	\$ <u>685,034</u>	\$ <u>243,801</u>

The notes to the financial statements are an integral part of this statement.

NEW ORLEANS COUNCIL ON AGING, INC.

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES

For the year ended June 30, 2010

	<u>GENERAL FUND</u>	<u>TITLE III (C1) CONGREGATE MEALS PROGRAM</u>	<u>TITLE III (C2) HOME DELIVERED MEALS PROGRAM</u>
REVENUES			
Intergovernmental:			
Governor's Office of Elderly Affairs	\$ 100,000	\$ 300,714	\$ 619,690
City of New Orleans	400,000	-	-
Corporation for National and Community Services	-	-	-
State of Louisiana	-	-	-
Grant appropriations	-	-	-
Participant contributions	-	16,629	11,475
Contributions	87,738	-	-
Interest income	1,861	-	-
Other Income	<u>41,276</u>	<u>4,596</u>	<u>-</u>
Total Revenues	<u>630,875</u>	<u>321,939</u>	<u>631,165</u>
EXPENDITURES			
Current:			
Personnel	80,931	116,490	325,859
Fringe benefits	44,826	17,475	48,893
Travel	21,444	573	56,757
Operating services	39,852	29,129	64,651
Operating supplies	76,646	1,524	6,648
Other costs	6,551	1,941	-
Capital outlay	17,599	-	-
Full service contracts	-	-	-
Food costs	84,023	163,691	230,265
Utility assistance	<u>2,506</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>374,378</u>	<u>330,823</u>	<u>733,073</u>
Excess (deficiency) of revenue over (under) expenditures	256,497	(8,884)	(101,908)
OTHER FINANCING			
Transfers in	64,580	8,884	101,908
Transfers out	<u>(100,000)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(35,420)</u>	<u>8,884</u>	<u>101,908</u>
Net change in fund balances	221,077	-	-
FUND BALANCES			
Beginning of the year	<u>142,609</u>	<u>-</u>	<u>-</u>
End of year	<u>\$ 363,686</u>	<u>\$ -</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

NEW ORLEANS COUNCIL ON AGING, INC.

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - Continued

For the year ended June 30, 2010

	TITLE III B SUPPORTIVE SERVICES	NSIP CASH IN LIEU OF COMMODITIES	SUPPLEMENTAL SENIOR CENTER	SENIOR CENTER PROGRAM
REVENUES				
Intergovernmental:				
Governor's Office of Elderly Affairs	\$ 474,596	\$ 266,662	\$ 460,714	\$ 376,183
City of New Orleans	-	-	-	-
Corporation for National and Community Services	-	-	-	-
State of Louisiana	-	-	-	-
Grant appropriates	-	-	-	-
Participant contributions	-	-	-	-
Contributions	-	-	-	-
Interest income	-	-	-	-
Other income	-	-	-	-
Total Revenues	<u>474,596</u>	<u>266,662</u>	<u>460,714</u>	<u>376,183</u>
EXPENDITURES				
Current:				
Personnel	343,462	-	-	-
Fringe benefits	50,232	-	-	-
Travel	9,490	-	-	-
Operating services	40,687	-	-	-
Operating supplies	2,053	-	-	-
Other costs	-	-	-	19,218
Capital outlay	-	-	-	-
Full service contracts	178,889	-	-	798,127
Food costs	-	-	-	-
Utility assistance	-	-	-	-
Total Expenditures	<u>624,813</u>	<u>-</u>	<u>-</u>	<u>817,345</u>
Excess (deficiency) of revenue over (under) expenditures	(150,217)	266,662	460,714	(441,162)
OTHER FINANCING SOURCES (USES)				
Transfers in	150,217	-	-	460,714
Transfers out	<u>-</u>	<u>(110,792)</u>	<u>(460,714)</u>	<u>(19,552)</u>
Total other financing sources (uses)	<u>150,217</u>	<u>(110,792)</u>	<u>(460,714)</u>	<u>441,162</u>
Net change in fund balances	-	155,870	-	-
FUND BALANCES				
Beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of year	<u>\$ -</u>	<u>\$ 155,870</u>	<u>\$ -</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

NEW ORLEANS COUNCIL ON AGING, INC.

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - *Continued*

For the year ended June 30, 2010

	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>	<u>Total Memorandum Only For the year ended June 30, 2008</u>
REVENUES			
Intergovernmental			
Governor's Office of Elderly Affairs	\$ 825,280	\$ 3,423,839	\$ 3,157,341
City of New Orleans	155,000	555,000	350,000
Corporation for National and Community Services	384,804	384,804	390,710
State of Louisiana	141,484	141,484	-
Grants appropriations	28,015	28,015	-
Participant contributions	-	28,104	33,061
Contributions	256,342	344,080	164,419
Interest income	129	1,990	3,398
Other Income	-	45,872	97,738
Total Revenues	<u>1,791,054</u>	<u>4,953,188</u>	<u>4,196,667</u>
EXPENDITURES			
Current:			
Personnel	554,319	1,421,061	1,424,980
Fringe benefits	67,754	229,180	220,334
Travel	22,051	110,315	122,587
Operating services	111,541	285,860	325,574
Operating supplies	55,322	142,193	58,506
Other costs	35,824	63,534	107,224
Capital outlay	91,484	109,083	-
Full service contracts	431,262	1,408,278	1,084,195
Food costs	182,457	660,436	652,114
Utility assistance	<u>148,813</u>	<u>151,319</u>	<u>114,064</u>
Total Expenditures	<u>1,700,827</u>	<u>4,581,259</u>	<u>4,109,578</u>
Excess (deficiency) of revenue over (under) expenditures	90,227	371,929	87,089
OTHER FINANCING SOURCES (USES)			
Transfers in	15,747	802,050	1,060,186
Transfers out	<u>(110,992)</u>	<u>(802,050)</u>	<u>(1,060,186)</u>
Total other financing sources (uses)	<u>(95,245)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(5,018)</u>	371,929	87,089
FUND BALANCES			
Beginning of the year	<u>93,374</u>	<u>235,983</u>	<u>148,894</u>
End of year	<u>\$ 88,356</u>	<u>\$ 607,912</u>	<u>\$ 235,983</u>

The notes to the financial statements are an integral part of this statement.

NEW ORLEANS COUNCIL ON AGING, INC.

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

For the year ended June 30, 2010

	For the year ended <u>June 30, 2010</u>	Total <u>Memorandum Only</u> For the year ended <u>June 30, 2009</u>
Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total government fund	\$ 371,929	\$ 87,089
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation (depreciation exceeded capital outlay) in the current period	<u>69,304</u>	<u>(20,446)</u>
Changes in net assets of governmental activities	<u>\$ 441,233</u>	<u>\$ 66,643</u>

The notes to the financial statements are an integral part of this statement.

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2010

NOTE A - PURPOSE OF THE NEW ORLEANS COUNCIL ON AGING, INC., AND REPORTING ENTITY

1. Purpose of the New Orleans Council on Aging, Inc.

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

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

2. Reporting Entity

In 1964, the State of Louisiana passed Act 456 authorizing the charter of a voluntary Council on Aging for the welfare of the aging people in each parish of Louisiana. However, before the Council on Aging could begin operations in a specific parish, its application or a charter must receive approval from the Governor's Office of Elderly Affairs pursuant to LA R.S. 46:1602. The functions of each Council on Aging in Louisiana must comply with the objectives of state laws and are governed by the policies and regulations established by GOEA.

The Board of Directors shall be composed of no less than eleven members, and no more than twenty-one. At present, there are 17 members. They are elected for terms of three years, with approximately one-third elected each year. Members of the Board are elected by secret ballot by the general membership of the New Orleans Council on Aging, Inc. The Board members shall reside in Orleans parish throughout their tenure.

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

Based on the criteria set forth in GASB Statement 14, the New Orleans Council on Aging, Inc. is not a component unit of another primary government nor does it have any component units that are related to it. In addition, based on the criteria set forth in GASB Codification Section 2100, the Council has presented its financial statements as a primary government, because it is a special - purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. As used in GASB Statement 14, the term fiscally independent means that the Council may, without approval or consent of another governmental entity, determine or modify its own budget, and set its own rates or charges. As previously mentioned,

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - Continued

June 30, 2010

NOTE A - PURPOSE OF THE NEW ORLEANS COUNCIL ON AGING, INC. AND REPORTING ENTITY - (Continued)

2. Reporting Entity - (Continued)

GOEA establishes the policies and regulations that all Councils must follow. Included in its policies is a provision that the Council's budget be approved by GOEA. However, this approval process is part of GOEA's general oversight responsibility for the Council and is more ministerial or compliance oriented than substantive. Accordingly, the Council is viewed as being fiscally independent for purposes of applying the reporting entity criteria of GASB Statement 14.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Presentation of Financial Statements

The accompanying basic financial statements of New Orleans Council on Aging, Inc. have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, issued in June 1999.

2. Basic Financial Statements - Government-Wide Statements

The Council's basic financial statements include both Government-Wide (reporting the Council as a Whole) and fund financial statements (reporting the Council's major funds). Both the Government-Wide and Fund Financial Statements categorize primary activities as either governmental or business type. The Council's functions and programs have been classified as governmental activities. The Council does not have any business-type activities, fiduciary funds, or any component units that are fiduciary in nature.

In the Government-Wide Statement of Net Assets, the governmental type activities column is presented on a consolidated basis and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations, if any. The Council's net assets are reported in three parts - investment in capital assets, restricted net assets; and unrestricted net assets. Investment in capital assets, are presented net of accumulated depreciation. Restricted net assets consist of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Unrestricted net assets include all other net assets that do not meet the definition of "restricted" or "invested in capital assets."

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - Continued

June 30, 2010

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

2. Basic Financial Statements - Government-Wide Statements

The Council's policy is to use restricted resources first to finance its activities, except for nutrition services. When providing nutrition services, revenues earned by the Council under its NSIP Cash In Lieu of Commodities contract with GOEA can only be used to pay for the raw food component of each meal that is bought and served to a person eligible to receive a meal under one of the nutrition programs. The Council's management has discretion as to how and when to use the NSIP Cash In Lieu of Commodities revenues when paying for nutrition program costs. Quite often unrestricted resources are available for use that must be consumed or they will have to be returned to GOEA. In such cases it is better for management to elect to apply and consume the unrestricted resources before using the restricted resources. As a result, the Council will depart from its usual policy of using restricted resources first.

The Government-Wide Statement of Activities reports both the gross revenue and net revenue of each of the Council's functions and significant programs. Many functions and programs are supported by general government revenues like intergovernmental revenues, and unrestricted investment income, particularly, if the function or program has a net cost. Program revenues must be directly associated with the function or program to be used to directly offset its cost. Operating grants include operating-specific and discretionary grants. The Council did not receive any capital-specific grants this year.

The Council allocated its indirect costs among various functions and programs in accordance with Circular A-87. GOEA provides grant funds to help the Council pay for a portion of its indirect costs. As a result, only the indirect costs in excess of the GOEA funds are allocated to the Council's other functions and programs.

The Government-Wide Statements focus upon the Council's ability to sustain operations and the change in its net assets resulting from the current year's activities.

3. Basic Financial Statements - Fund Financial Statements:

The financial transactions of the Council are reported in individual funds in the Fund Financial Statements. 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 reported by generic classification within the financial statements.

The Council uses governmental fund types. The focus of the governmental funds' measurement (in the fund statements) is on determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than on net income. An additional emphasis is placed on major funds within the governmental fund types. A fund is considered major if it is the primary operating fund of the Council or if its total assets, liabilities, revenues, or expenditures are at least 10% of the corresponding total for all funds of that category or type.

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - Continued

June 30, 2010

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

3. Basic Financial Statements - Fund Financial Statements: - Continued

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

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

- The General Fund is the primary operating fund of the Council. It accounts for all financial resources, except those required to be accounted for in another fund.
- Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. A large percentage of the Council's special revenue funds are Title III funds. These funds are provided by the United States Department of Health and Human Services - Administration on Aging to the Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council.

The Council has established several special revenue funds. The following is a brief description of each special revenue fund's purpose:

Major Special Revenue Funds

The General Fund is the primary operating fund of the Council. It accounts for all financial resources of the Council, except those required to be accounted for in another fund.

The Title III C-1 Fund (Congregate Meals Program) is used to account for funds that are used to provide nutritional, congregate meals to the elderly at meal sites located in Orleans Parish.

The Title III C-2 Fund (Home Delivered Meals Program) is used to account for Federal funds that are used to provide nutritional meals to homebound older persons.

The Title III B Fund (Supportive Services) is used to account for funds, which are used to provide various units of supportive social services to the elderly.

The N.S.I.P. Cash in Lieu of Commodities Fund is used to account for the administration of the nutrition programs for the elderly. The funds are 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. The primary purpose of the NSIP reimbursement is to provide money to the Council so that food and commodities may be purchased to supplement nutrition programs.

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - Continued

June 30, 2010

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

3. Basic Financial Statements - Fund Financial Statements: - Continued

The Supplemental Senior Center Fund was established to account for funds that were appropriated by the Louisiana Legislature for the various Councils on aging throughout Louisiana to supplement each Council's primary grant for senior center operations and activities.

The Senior Center Program is used to account for the administration of Senior Center program funds appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council. This program provides community service centers at which older persons receive supportive services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community. The Council operates one senior center in Orleans Parish, Louisiana. The other 9 senior centers are contracted by the Council with other non-profit organizations operating senior centers in Orleans Parish.

Non-Major Special Revenue Funds

The Title III C - 1 Area Agency Administration Fund is used to account for a portion of the indirect costs of administrating the Council's programs. Each fiscal year GOEA provides the Council with funds to help pay for the costs of administering the Council's special programs for the elderly. The amount of funding is not enough to pay for all the indirect costs. As a result, the Council will allocate its indirect costs to this fund first. Once the GOEA funds are completely used, any indirect costs, in excess of the funds provided by GOEA, are distributed to other funds and programs using a formula based on the percentage that each program's direct costs bear to the direct costs for all programs.

The Audit Funds are 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. The cost allocated to this fund is equal to the GOEA supplement.

Administrative Seed Funds are received by the Council to offset administrative costs of developing innovative programs for the elderly.

The Meals on Wheels And State of Louisiana Act 122 Funds are used to account for funds to provide home delivered meals to homebound elderly persons through restricted contributions from a non-profit organization.

The Retired Senior Volunteer Program Fund is used to account for Federal funds which are provided directly by the Corporation for National and Community Service (CNCS), and State funds which are provided directly by the Louisiana Governor's Office of Elderly Affairs to pay for expenses incurred by senior citizens, age 55 and over, who have volunteered their time to assist non-profit and government entities in the parish.

Pontchartrain Park Senior Center and Senior Center Funding was established to account for funds that were appropriated by the City of New Orleans to provide a community service center where older persons receive supportive services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community.

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - Continued

June 30, 2010

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

3. Basic Financial Statements - Fund Financial Statements: - Continued

Non-Major Special Revenue Funds - Continued

The III - E Caregiver Fund is used to account for funds which are used to provide public education, information and assistance, individual counseling, support groups, group respite, institutional respite, material aid, and personal care to the elderly. Supplemental funding was provided by Harrahs and the Greater New Orleans Foundation.

The Title III - D Preventive Health Fund is used to account for funds used for disease prevention and health promotion activities or services, such as (1) equipment and material (scales to weigh people, educational materials, and exercise equipment), (2) home injury control, (3) medication management, (4) mental health, and (5) nutrition (assessment/screening, counseling, and education). The law directs the state agency administering this program to "give priority to areas of the state which are medically underserved and in which there are a large number of older individuals who have the greatest economic and social need."

Senior Rx Program is a senior drug program to assist the elderly in the City of New Orleans. Supplemental funding was also provided by Medicare Improvements for Patients and Providers Act (MIPPA).

The Senior Companion Fund is used to account for Federal funds which are provided directly by CNCS and State funds which are provided directly by the Louisiana Governor's Office of Elderly Affairs to pay for expenses incurred by low-income senior citizens, age 60 and over, who have volunteered their time to provide individual care and assistance to primarily the frail, elderly persons who are home-bound.

SSBG Mental Health Program provides mental services to the elderly, post Katrina.

AARA Congregate and Home Delivered Meals Programs provides nutritional congregate meals to the elderly at meal sites located in Orleans Parish and nutritional meals to homebound older persons.

The Community Development Block Grant which flows through the City of New Orleans to the Council provides supplemental funds to administer the home delivered meals program for low income and elderly individuals.

Power To Care is used to account for funds collected from the public by Entergy and provided to the Council to assist the elderly in paying their utility bills.

United Way provides emergency food for senior citizens.

Transportation Grant provided two vans to New Orleans Council on Aging, Inc. to assist in providing services to the elderly.

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - Continued

June 30, 2010

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

4. Measurement Focus and Basis of Accounting:

a. **Accrual Basis - Government-Wide Financial Statements**

The Statement of Net Assets and the Statement of Activities display information about the Council as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed).

b. **Modified Accrual Basis - Fund Financial Statements:**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are both measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Council considers all revenues "available" if they are collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that claims and judgments are recorded as expenditures when paid with expendable available financial resources.

5. Interfund Activity:

Interfund activity consists of transfers between funds and represent a permanent reallocation of resources between funds. Transfers between funds are netted against one another as part of the reconciliation of the change in fund balances in the fund financial statements to the change in net assets in the Government-Wide financial Statements.

6. Fair Value of Financial Instruments:

Cash, cash equivalents, and temporary investments carrying amounts reported in the statement of net assets approximate fair value because of the short maturities of those investments.

7. 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 \$5,000, 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 assets. If the asset was purchased, it is recorded in the books at its cost. If the asset was donated, it is recorded at its estimated fair market value at the date of donation.

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - Continued

June 30, 2010

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

7. Capital Assets:

For capital assets recorded in the Government-Wide Financial Statements, depreciation is computed and recorded using the straight-line method for the asset's estimated useful life. The capital assets consist of transportation equipment with a useful life of three years.

8. Accrued Compensated Absences:

The Council's policies for vacation time permit employees to accumulate earned but unused vacation leave. Accordingly, a liability for the unpaid vacation leave has been recorded in the Government-Wide Statements. The amount accrued as the compensated absence liability was determined using the number of vested vacation hours for each employee multiplied by the employee's wage rate in effect at the end of the year.

9. Allocation of Indirect Expenses:

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

10. Management's Use of Estimates:

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

11. Eliminations and Reclassifications:

In the process of aggregating data for the Statement of Net Assets and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated. However, interfund receivables and payables are presented in the balance sheets of the governmental funds.

12. Restricted Assets

Restricted net assets are reported in the Statement of Net Assets when constraints are placed on their use, as follows:

- Contributions from Meals on Wheels for nutritional home delivered meals.
- Grant revenue from Entergy for utility assistance.
- Grant revenue from Corporation for National Services for retired senior volunteer and senior companion program.
- Grant revenue form State of Louisiana for mental services to the elderly.

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - Continued

June 30, 2010

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

13. Budgets

The Council is required by state law to adopt annual budgets for the General Fund and Special Revenue Funds. Each budget is presented on the accrual basis of accounting.

14. Subsequent Events

The subsequent events of the corporation were evaluated through the date the financial statements were available to be issued (September 30, 2010).

15. Post Employment Health Care

Governmental Accounting Standards Board (GASB) 45, requires that post employment health care benefits be actuarially determined and accrued if such benefits are provided. New Orleans Council on Aging, Inc. does not offer health care to its retirees. Accordingly, no accrual is necessary for the year ended June 30, 2010.

16. Memorandum Only Columns

Total columns are captioned "Memorandum Only" to indicate that they are presented only to assist with financial analysis. Data in these columns do not present financial position, results of operations or changes in net assets in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

NOTE C - REVENUE RECOGNITION

For financial reporting, the General Fund, Title III B Supportive Services Program, Title III (C1) Congregate Meal Program, Title III (C2) Home Delivered Meals Programs, Title III D - Preventive Health, Title III E - Caregiver Program, State funded Senior Center Programs, Senior Rx Program, and State Funds recognize revenue on a pro-rata basis of its approved budget. Retired Senior Volunteer Program (RSVP), Senior Companion Program (SCP), and Power to Care, United Way, Transportation, Pontchartrain Park Senior Center, and Senior Center Funding recognize revenue as received.

Intergovernmental grant revenues are recorded in governmental funds as revenues in the accounting period when they become susceptible to accrual, that is measurable and available (modified accrual basis). Intergovernmental grants do not allow the Council to recognize revenue under the grant award until actual costs are incurred or units of service are provided. Senior Center, Senior Rx, State Allocation (Act 735), Title III B, C-1, C-2, D and E funds are received as a monthly allocation of the total grant in advance of the actual expenditures, but are not susceptible to accrual as revenue until the actual expenditures are made. Retired Senior Volunteer Program, Senior Companion Program, AARA Congregate and Home Delivered Meals, SSBG Mental Health, and Audit funds are also recognized as revenue once the related cost has been incurred, and the grant reimbursement is measurable and available.

NSIP Cash In Lieu of Commodities program funds are earned and become susceptible to accrual based upon the number of units provided to program participants and are recorded as revenues at that time.

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - Continued

June 30, 2010

NOTE C - REVENUE RECOGNITION - Continued

The Council encourages and receives contributions from clients to help offset the costs of the Title III-B, C-1 and C-2 programs. Utility assistance funds are provided from public donations sponsored by Entergy, Inc. The timing and amounts of the receipts of public support and miscellaneous revenues are difficult to predict, therefore, they are not susceptible to accrual and are recorded as revenue in the period received.

NOTE D - CASH

The Council's funds are required to be deposited and invested under the terms established by the Governor's Office of Elderly Affairs. The depository bank deposits for safekeeping and trust with the Council's third party agent approved pledged securities in an amount sufficient to protect the Council funds on a day-to-day basis. The Council may at its own discretion, invest funds in time deposits and certificates of deposit at interest rates approximating United States Treasury Bill rates.

At June 30, 2010, the carrying amount of the Council's deposits (cash and certificates of deposit) was \$584,323, and the bank balance was \$630,110. The entire bank balance throughout the year was covered by federal depository insurance or by collateral held by the Council's agent in the Council's name.

NOTE E - GRANT RECEIVABLES

Grant receivables consist of reimbursements for expenses incurred under the following programs as of June 30, 2010.

Programs

City of New Orleans	\$ 17,200
Corporation for National and Community Services	<u>225,000</u>
	<u>\$ 242,200</u>

NOTE F - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follow:

	<u>Balance</u> <u>7/1/09</u>	<u>Acquisitions</u>	<u>Retirements</u>	<u>Balance</u> <u>6/30/10</u>
Transportation equipment	\$ 62,776	\$ 109,083	\$ -	\$ 171,859
Less: Accumulated Depreciation	<u>(54,958)</u>	<u>(39,779)</u>	<u>-</u>	<u>(94,737)</u>
	<u>\$ 7,818</u>	<u>\$ 69,304</u>	<u>\$ (-)</u>	<u>\$ 77,122</u>

NOTE G - RENTAL EXPENSE

The rental expense for the administrative offices for the year ended June 30, 2010 totaled \$95,986, and are leased under an operating lease for one year beginning August 1, 2009 and ending July 31, 2010, at \$7,000 per month.

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - Continued

June 30, 2010

NOTE H - INTERFUND RECEIVABLES AND PAYABLES

Because the organization operates most of its programs under cost reimbursement type grants, it has to pay for costs using its General Fund money, and then request reimbursement for the advanced costs under the grant programs. Such advances create short-term interfund receivables and payables. A summary of these interfund receivables and payable at June 30, 2010 are as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ <u>-</u>	\$ <u>81,267</u>
Special Revenue Fund		
Title III C-1 Congregate Meals Program	3,577	-
Retired Senior Volunteer and Senior Companion Program	67,156	-
Title III B Supportive Services	<u>10,534</u>	<u>-</u>
Total Special Revenue fund	<u>81,267</u>	<u>-</u>
Total all funds	\$ <u>81,267</u>	\$ <u>81,267</u>

NOTE I - EMPLOYEE RETIREMENT PLAN

Effective July 1, 1990, the New Orleans Council on Aging, Inc. began providing retirement benefits to all of its employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Employees are eligible to participate upon completion of one year of service and attainment of age 21. The formula for determining employer contributions is determined each Plan Year by a resolution of the Board of Directors. The Council's contribution for each employee is fully vested after five years of service. Voluntary employee contributions are permitted.

The Council's total payroll for the fiscal year ended June 30, 2010 was \$1,370,046. The Council's contributions were calculated by using the base salary amount of \$1,288,783. The Council made a 6% contribution on behalf of the Council's employees which totaled \$77,327.

NOTE J - INCOME TAXES

The corporation is exempt from corporate income taxes under Section 501(c)(3) of the Internal Revenue Code.

NOTE K - BOARD OF DIRECTORS' COMPENSATION

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

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - Continued

June 30, 2010

NOTE L - FEDERALLY ASSISTED PROGRAMS

The Council participates in a number of federally assisted programs. These programs are audited in accordance with the 2003 Single Audit Act. Audits of prior years have not resulted in any disallowed costs; however, grantor agencies may provide for further examinations. Based on prior experience, the Council's management believes that further examinations would not result in any significant disallowed costs.

In accordance with the 2003 Single Audit Act, and the Office of Management and Budget Circular A-133, a schedule of federal awards is presented.

NOTE M - ECONOMIC DEPENDENCY

The Council received the majority of its revenue from funds provided through grants administered by the Louisiana Governor's Office of Elderly Affairs. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of the funds the Council receives could be reduced significantly and have an adverse impact on its operations.

SUPPLEMENTAL INFORMATION

NEW ORLEANS COUNCIL ON AGING, INC.

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-
BUDGET AND ACTUAL

For the year ended June 30, 2010

	<u>FINAL BUDGETED AMOUNTS</u>	<u>ACTUAL AMOUNTS GAAP BASIS</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
Revenues			
Intergovernmental:			
Governor's Office of Elderly Affairs	\$ 100,000	\$ 100,000	\$ -
City of New Orleans	450,000	400,000	(50,000)
Contributions	-	87,738	87,738
Interest income	-	1,861	1,861
Other Income	<u>-</u>	<u>41,276</u>	<u>41,276</u>
Total revenues	<u>550,000</u>	<u>630,875</u>	<u>80,875</u>
Expenditures			
Current:			
Personnel	200,000	80,931	119,069
Fringe benefits	67,200	44,826	22,374
Travel	1,900	21,444	(19,544)
Operating services	28,978	39,852	(10,874)
Operating supplies	51,922	76,646	(24,724)
Other costs	100,000	6,551	93,449
Food costs	-	84,023	(84,023)
Capital Outlay	-	17,599	(17,599)
Utility assistance	<u>-</u>	<u>2,506</u>	<u>(2,506)</u>
Total expenditures	<u>450,000</u>	<u>374,378</u>	<u>75,622</u>
Excess (deficiency) of revenues over (under) expenditures	100,000	256,497	156,497
Other financing sources (uses)			
Transfers in	-	64,580	64,580
Transfers out	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
Total other financing sources and uses	<u>(100,000)</u>	<u>(35,420)</u>	<u>64,580</u>
Net changes in fund balances	-	221,077	221,077
Fund Balances			
Beginning of year	<u>-</u>	<u>142,609</u>	<u>142,609</u>
End of year	<u>\$ -</u>	<u>\$ 363,686</u>	<u>\$ 363,686</u>

NEW ORLEANS COUNCIL ON AGING, INC.

TITLE III (C1) - CONGREGATE MEALS PROGRAM FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL

For the year ended June 30, 2010

	<u>FINAL BUDGETED AMOUNTS</u>	<u>ACTUAL AMOUNTS GAAP BASIS</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
Revenues			
Intergovernmental:			
Governor's Office of Elderly Affairs	\$ 300,714	\$ 300,714	\$ -
Participant contributions	7,500	16,629	9,129
Other	<u>-</u>	<u>4,596</u>	<u>4,596</u>
Total revenues	<u>308,214</u>	<u>321,939</u>	<u>13,725</u>
Expenditures			
Current:			
Personnel	116,680	116,490	190
Fringe benefits	17,526	17,475	51
Travel	573	573	-
Operating services	29,129	29,129	-
Operating supplies	1,524	1,524	-
Other costs	1,900	1,941	(41)
Food costs	<u>163,691</u>	<u>163,691</u>	<u>-</u>
Total expenditures	<u>331,023</u>	<u>330,823</u>	<u>200</u>
Excess (deficiency) of revenues over (under) expenditures	(22,809)	(8,884)	13,925
Other financing sources (uses)			
Transfers in	22,809	8,884	(13,925)
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses	<u>22,809</u>	<u>8,884</u>	<u>(13,925)</u>
Net changes in fund balances	-	-	-
Fund Balances			
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
End of year	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

NEW ORLEANS COUNCIL ON AGING, INC.

TITLE III (C2) - HOME DELIVERED MEALS PROGRAM FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL

For the year ended June 30, 2010

	<u>FINAL BUDGETED AMOUNTS</u>	<u>ACTUAL AMOUNTS GAAP BASIS</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
Revenues			
Intergovernmental:			
Governor's Office of Elderly Affairs	\$ 619,690	\$ 619,690	\$ -
Participant contributions	<u>-</u>	<u>11,475</u>	<u>11,475</u>
Total revenues	<u>619,690</u>	<u>631,165</u>	<u>11,475</u>
Expenditures			
Current:			
Personnel	325,576	325,859	(283)
Fringe benefits	48,946	48,893	53
Travel	58,473	56,757	1,716
Operating services	64,651	64,651	-
Operating supplies	6,782	6,648	134
Other costs	-	-	-
Food costs	<u>230,265</u>	<u>230,265</u>	<u>-</u>
Total expenditures	<u>734,693</u>	<u>733,073</u>	<u>1,620</u>
Excess (deficiency) of revenues over (under) expenditures	(115,003)	(101,908)	13,095
Other financing sources (uses)			
Transfers in	115,003	101,908	(13,095)
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses	<u>115,003</u>	<u>101,908</u>	<u>(13,095)</u>
Net changes in fund balances	-	-	-
Fund Balances			
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
End of year	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

NEW ORLEANS COUNCIL ON AGING, INC.

TITLE III B - SUPPORTIVE SERVICES FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL

For the year ended June 30, 2010

	<u>FINAL BUDGETED AMOUNTS</u>	<u>ACTUAL AMOUNTS GAAP BASIS</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
Revenues			
Intergovernmental:			
Governor's Office of Elderly Affairs	\$ 474,596	\$ 474,596	\$ -
Participant contributions	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>474,596</u>	<u>474,596</u>	<u>-</u>
Expenditures			
Current:			
Personnel	343,223	343,462	(239)
Fringe benefits	50,797	50,232	565
Travel	9,353	9,490	(137)
Operating services	40,682	40,687	(5)
Operating supplies	2,053	2,053	-
Other costs	-	-	-
Full service contracts	<u>178,889</u>	<u>178,889</u>	<u>-</u>
Total expenditures	<u>624,997</u>	<u>624,813</u>	<u>184</u>
Excess (deficiency) of revenues over (under) expenditures	(150,401)	(150,217)	184
Other financing sources (uses)			
Transfers in	150,401	150,217	(184)
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses	<u>150,401</u>	<u>150,217</u>	<u>(184)</u>
Net changes in fund balances	-	-	-
Fund Balances			
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
End of year	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

NEW ORLEANS COUNCIL ON AGING, INC.

NISP CASH IN LIEU OF COMMODITIES FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL

For the year ended June 30, 2010

	<u>FINAL BUDGETED AMOUNTS</u>	<u>ACTUAL AMOUNTS GAAP BASIS</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
Revenues			
Intergovernmental:			
Governor's Office of Elderly Affairs	\$ <u>137,812</u>	\$ <u>266,662</u>	\$ <u>128,850</u>
Total revenues	<u>137,812</u>	<u>266,662</u>	<u>128,850</u>
Excess (deficiency) of revenues over (under) expenditures	137,812	266,662	128,850
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	(137,812)	(110,792)	<u>27,020</u>
Total other financing sources and uses	(137,812)	(110,792)	<u>27,020</u>
Net changes in fund balances	-	155,870	155,870
Fund Balances			
Beginning of year	-	-	-
End of year	\$ <u>-</u>	\$ <u>155,870</u>	\$ <u>155,870</u>

NEW ORLEANS COUNCIL ON AGING, INC.

SUPPLEMENTAL SENIOR CENTER FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL

For the year ended June 30, 2010

	<u>FINAL BUDGETED AMOUNTS</u>	<u>ACTUAL AMOUNTS GAAP BASIS</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
Revenues			
Intergovernmental:			
Governor's Office of Elderly Affairs	\$ <u>460,714</u>	\$ <u>460,714</u>	\$ <u>-</u>
Total revenues	<u>460,714</u>	<u>460,714</u>	<u>-</u>
Expenditures			
Current:			
Full service contracts	<u>460,714</u>	<u>-</u>	<u>460,714</u>
Total expenditures	<u>460,714</u>	<u>-</u>	<u>460,714</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	460,714
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	<u>-</u>	<u>(460,714)</u>	<u>(460,714)</u>
Total other financing sources and uses	<u>-</u>	<u>(460,714)</u>	<u>(460,714)</u>
Net changes in fund balances	-	-	-
Fund Balances			
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
End of year	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

NEW ORLEANS COUNCIL ON AGING, INC.

SENIOR CENTER PROGRAM
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL

For the year ended June 30, 2010

	<u>FINAL BUDGETED AMOUNTS</u>	<u>ACTUAL AMOUNTS GAAP BASIS</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
Revenues			
Intergovernmental:			
Governor's Office of Elderly Affairs	\$ <u>376,183</u>	\$ <u>376,183</u>	\$ <u>-</u>
Total revenues	<u>376,183</u>	<u>376,183</u>	<u>-</u>
Expenditures			
Current:			
Personnel	-	-	-
Fringe benefits	-	-	-
Travel	-	-	-
Operating services	-	-	-
Operating supplies	-	-	-
Other costs	-	19,218	(19,218)
Full service contracts	<u>376,183</u>	<u>798,127</u>	<u>(421,944)</u>
Total expenditures	<u>376,183</u>	<u>817,345</u>	<u>(441,162)</u>
Excess (deficiency) of revenues over (under) expenditures	-	(441,162)	(441,162)
Other financing sources (uses)			
Transfers in	-	460,714	460,714
Transfers out	<u>(-)</u>	<u>(19,552)</u>	<u>(19,552)</u>
Total other financing sources and uses	<u>-</u>	<u>441,162</u>	<u>441,162</u>
Net changes in fund balances	-	-	-
Fund Balances			
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
End of year	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

NEW ORLEANS COUNCIL ON AGING, INC.

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

For the year ended June 30, 2010

	TITLE III (CI) ADMINISTRATION	AUDIT FUND	ADMINISTRATIVE SEED FUNDS	MEALS ON WHEELS	SPECIAL PROJECT	PONTCHARTRAIN PARK CENTER
Revenues						
Intergovernmental						
Governor's Office of Elderly Affairs	\$ 142,543	\$ 12,074	\$ -	\$ -	\$ -	\$ -
City of New Orleans	-	-	-	-	-	50,000
Corp. for Nat'l. & Community Services	-	-	-	-	-	-
State of Louisiana	-	-	-	-	-	-
Grant appropriations	-	-	-	-	-	-
Contributions	-	-	-	38,983	-	29,895
Interest income	-	-	-	-	-	-
	<u>142,543</u>	<u>12,074</u>	<u>-</u>	<u>38,983</u>	<u>-</u>	<u>79,895</u>
Expenditures						
Salaries	75,274	-	-	-	-	-
Fringe benefits	15,300	-	-	-	-	-
Travel	611	-	-	-	-	-
Operating services	43,264	17,724	-	250	-	13,458
Operating supplies	8,094	-	-	-	-	7,323
Other costs	-	-	-	-	-	1,702
Food cost	-	-	-	3,659	-	-
Utility assistance	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
	<u>142,543</u>	<u>17,724</u>	<u>-</u>	<u>3,909</u>	<u>-</u>	<u>22,483</u>
Grants to subrecipients:						
The Medical Team	-	-	-	-	-	-
Gentilly Senior Center, Inc.	-	-	-	-	-	-
Lakeview Shepherd	-	-	-	-	-	-
Treme Community Education Program, Inc.	-	-	-	-	-	-
Total Grants to Subrecipients	-	-	-	-	-	-
Total expenditures	<u>142,543</u>	<u>17,724</u>	<u>-</u>	<u>3,909</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	(5,650)	-	35,074	-	\$7,412
Other financing sources (uses)						
Operating transfers in	-	5,650	-	-	-	-
Operating transfers out	-	-	-	(35,074)	-	(57,412)
Excess (deficiency) of revenues and other sources/uses over expenditures	-	-	-	-	-	-
Fund balance at July 1, 2009	-	-	1,000	13,587	283	-
Fund balance at June 30, 2010	\$ -	\$ -	\$ 1,000	\$ 13,587	\$ 283	\$ -

NEW ORLEANS COUNCIL ON AGING, INC.

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

For the year ended June 30, 2010

	CDBG GRANT	CITY OF NEW ORLEANS SENIOR CENTER FUNDING	STATE OF LOUISIANA ACT 122	GEOA ACT 122	HARRAHS NFSCP	GNO FOUNDATION	UNITED WAY	DEPARTMENT OF TRANSPORTATION
Revenues								
Intergovernmental								
Governor's Office of Elderly Affairs	\$ -	\$ -	\$ -	\$ 289,366	\$ -	\$ -	\$ -	\$ -
City of New Orleans	55,000	50,000	-	-	-	-	-	-
Corp. for Nat'l. & Community Services	-	-	-	-	-	-	-	-
State of Louisiana	-	-	50,000	-	-	-	-	91,484
Grant appropriations	-	-	-	-	3,000	25,000	3,015	-
Contributions	-	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	-	-	-
	<u>55,000</u>	<u>50,000</u>	<u>50,000</u>	<u>289,366</u>	<u>3,000</u>	<u>25,000</u>	<u>3,015</u>	<u>91,484</u>
Expenditures								
Salaries	-	-	-	-	605	1,948	-	-
Fringe benefits	-	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-	-
Operating services	-	-	-	-	280	-	-	-
Operating supplies	-	-	-	-	705	11,080	-	-
Other costs	-	-	-	-	-	-	-	-
Food cost (See note below)	55,000	-	50,000	-	-	-	-	-
Utility assistance	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	3,015	-
	<u>55,000</u>	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>1,590</u>	<u>13,028</u>	<u>3,015</u>	<u>91,484</u>
Grants to subrecipients:								
The Medical Team	-	-	-	-	-	-	-	-
Gentilly Senior Center, Inc.	-	50,000	-	-	-	-	-	-
Lakeview Shepherd	-	-	-	50,000	-	-	-	-
Treme Community Education Program, Inc.	-	-	-	239,366	-	-	-	-
Total Grants to Subrecipients	-	<u>50,000</u>	-	<u>289,366</u>	-	-	-	-
Total expenditures	<u>55,000</u>	<u>50,000</u>	<u>50,000</u>	<u>289,366</u>	<u>1,590</u>	<u>13,028</u>	<u>3,015</u>	<u>91,484</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-	1,410	11,972	-	-
Other financing sources (uses)								
Operating transfers in	-	-	-	-	-	(11,972)	-	-
Operating transfers out	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources/uses over expenditures	-	-	-	-	-	-	-	-
Fund balance at July 1, 2009	-	-	-	-	-	-	-	-
Fund balance at June 30, 2010	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Note: Food costs consist of the following:								
Raw food	\$ 28,600	-	\$ 26,000	-	-	-	-	-
Other	26,400	-	24,000	-	-	-	-	-
	<u>\$ 55,000</u>	<u>\$ -</u>	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NEW ORLEANS COUNCIL ON AGING, INC.

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS - Continued

For the year ended June 30, 2010

	RETIRED SENIOR VOLUNTEER PROGRAM	TITLE III E CAREGIVER PROGRAM	TITLE III D PREVENTIVE HEALTH	SENIOR Rx PROGRAM	SENIOR COMPANION PROGRAM	SSBG MENTAL HEALTH
Revenues						
Intergovernmental						
Governor's Office of Elderly Affairs	\$ -	\$ 169,011	\$ 22,542	\$ 92,099	\$ -	\$ 13,348
City of New Orleans	-	-	-	-	-	-
Corp. for Nat'l. & Community Services	109,238	-	-	-	275,566	-
State of Louisiana	-	-	-	-	-	-
Grant appropriations	-	-	-	-	-	-
Contributions	60	-	-	-	5,573	-
Interest income	129	-	-	-	-	-
	<u>109,427</u>	<u>169,011</u>	<u>22,542</u>	<u>92,099</u>	<u>281,139</u>	<u>13,348</u>
Expenditures						
Salaries	70,522	62,683	2,552	85,223	231,362	-
Fringe benefits	15,003	13,144	474	6,876	13,700	-
Travel	4,395	457	20	-	16,568	-
Operating services	5,463	7,479	11,841	-	7,158	13,348
Operating supplies	2,586	391	2,553	-	3,117	-
Other costs	16,391	660	7,500	-	9,319	-
Food costs	-	-	-	-	-	-
Utility assistance	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
	<u>114,360</u>	<u>84,814</u>	<u>24,940</u>	<u>92,099</u>	<u>281,224</u>	<u>13,348</u>
Grants to subrecipients:						
The Medical Team	-	91,896	-	-	-	-
Gentilly Senior Center, Inc.	-	-	-	-	-	-
Lakeview Shepherd	-	-	-	-	-	-
Treme Community Education Program, Inc.	-	-	-	-	-	-
Total Grants to Subrecipients	-	<u>91,896</u>	-	-	-	-
Total expenditures	<u>114,360</u>	<u>176,710</u>	<u>24,940</u>	<u>92,099</u>	<u>281,224</u>	<u>13,348</u>
Excess (deficiency) of revenues over expenditures	(4,933)	(7,699)	(2,398)	-	(85)	-
Other financing sources (uses)						
Operating transfers in	-	7,699	2,398	-	-	-
Operating transfers out	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources/uses over expenditures	(4,933)	-	-	-	(85)	-
Fund balance at July 1, 2009	5,022	-	-	-	7,896	9,504
Fund balance at June 30, 2010	<u>89</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,811</u>	<u>9,504</u>

NEW ORLEANS COUNCIL ON AGING, INC.

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS - Continued

For the year ended June 30, 2010

	AARA CONGREGATE MEALS	AARA HOME DELIVERED MEALS	MIPPA AAA SEGMENT	MIPPA ARDC SEGMENT	POWER TO CARE	TOTAL
Revenues						
Intergovernmental						
Governor's Office of Elderly Affairs	\$ 49,452	\$ 24,346	\$ 6,561	\$ 3,938	\$ -	\$ 825,280
City of New Orleans	-	-	-	-	-	155,000
Corp. for Nat'l & Community Services	-	-	-	-	-	384,804
State of Louisiana	-	-	-	-	-	141,484
Grants appropriations	-	-	-	-	-	28,015
Contributions	-	-	-	-	178,831	256,342
Interest income	-	-	-	-	129	129
	<u>49,452</u>	<u>24,346</u>	<u>6,561</u>	<u>3,938</u>	<u>178,831</u>	<u>1,791,054</u>
Expenditures						
Salaries	-	-	-	-	24,150	554,319
Fringe benefits	-	-	-	-	3,257	67,754
Travel	-	-	-	-	-	22,051
Operating services	-	-	2,763	1,611	250	111,541
Operating supplies	-	-	3,798	2,327	-	55,322
Other costs	-	-	-	-	252	35,824
Food costs (See note below)	49,452	24,346	-	-	-	182,457
Utility assistance	-	-	-	-	145,798	148,813
Capital outlay	-	-	-	-	-	91,484
	<u>49,452</u>	<u>24,346</u>	<u>6,561</u>	<u>3,938</u>	<u>173,707</u>	<u>1,269,565</u>
Grants to subrecipients:						
The Medical Team	-	-	-	-	-	91,896
Gentilly Senior Center, Inc.	-	-	-	-	-	50,000
Lakeview Shepherd	-	-	-	-	-	50,000
Treme Community Education Program, Inc.	-	-	-	-	-	239,366
Total Grants to Subrecipients	-	-	-	-	-	<u>431,262</u>
Total expenditures	<u>49,452</u>	<u>24,346</u>	<u>6,561</u>	<u>3,938</u>	<u>173,707</u>	<u>1,700,827</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-	5,124	90,227
Other financing sources (uses)						
Operating transfers in	-	-	-	-	-	15,747
Operating transfers out	-	-	-	-	(5,124)	(110,992)
Excess (deficiency) of revenues and other sources/uses over expenditures	-	-	-	-	-	(5,018)
Fund balance at July 1, 2009	-	-	-	-	56,082	93,374
Fund balance at June 30, 2010	<u>\$ 25,715</u>	<u>\$ 12,660</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,082</u>	<u>\$ 88,356</u>
	<u>23,737</u>	<u>11,686</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 49,452</u>	<u>\$ 24,346</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note: Food costs consist of the following:
Raw food
Other

NEW ORLEANS COUNCIL ON AGING, INC.

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS

For the year ended June 30, 2010

	GENERAL FUND	TITLE III (C1) CONGREGATE MEALS PROGRAM	TITLE III (C2) HOME DELIVERED MEALS PROGRAM	TITLE III B SUPPORTIVE SERVICES	NSIP CASH IN LIEU OF COMMODITIES
Revenues					
Intergovernmental					
Governor's Office of Elderly Affairs	\$ 100,000	\$ 300,714	\$ 619,690	\$ 474,596	\$ 266,662
City of New Orleans	400,000	-	-	-	-
Participant contributions	-	16,629	11,475	-	-
Interest income	1,861	-	-	-	-
Contributions	87,738	-	-	-	-
Other	41,276	4,596	-	-	-
	<u>630,875</u>	<u>321,939</u>	<u>631,165</u>	<u>474,596</u>	<u>266,662</u>
Expenditures					
Salaries	80,931	116,490	325,859	343,462	-
Fringe benefits	44,826	17,475	48,893	50,232	-
Travel	21,444	573	56,757	9,490	-
Operating services	39,852	29,129	64,651	40,687	-
Operating supplies	76,646	1,524	6,648	2,053	-
Other costs	6,551	1,941	-	-	-
Food costs (Note-see page 45)	84,023	163,691	230,265	-	-
Utility assistance	2,506	-	-	-	-
Capital outlay	<u>17,599</u>	-	-	-	-
	<u>374,378</u>	<u>330,823</u>	<u>733,073</u>	<u>445,924</u>	<u>-</u>

Grants to subrecipients:

City of New Orleans	-	-	-	54,890	-
Advocacy Center, Inc.	-	-	-	40,000	-
The Medical Team	-	-	-	29,605	-
Central City Economic Opportunity Corporation dba Central City Senior Center	-	-	-	-	-
Kingsley House, Inc. dba Kingsley House Adult Service Senior Center	-	-	-	-	-
Mercy Endeavors	-	-	-	-	-
Volunteers of America	-	-	-	-	-
Arthur Monday Senior Center	-	-	-	54,394	-
Senior Center Coordinator	-	-	-	-	-
Lower Algiers, Inc. dba Lower Algiers Senior Center	-	-	-	-	-
Uptown Area Senior Adult Ministry, Inc. dba Uptown Shepherd Senior Center	-	-	-	-	-
12 th Ward Save Our Community Organization dba Milan-Broadmoor Senior Center	-	-	-	-	-
Realization, Inc. dba Reality House Senior Center	-	-	-	-	-

NEW ORLEANS COUNCIL ON AGING, INC.

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS - Continued

For the year ended June 30, 2010

	GENERAL FUND	TITLE III (C1) CONGREGATE MEALS PROGRAM	TITLE III (C2) HOME DELIVERED MEALS PROGRAM	TITLE III B SUPPORTIVE SERVICES	NSIP CASH IN LIEU OF COMMODITIES
Treme Community Education Program, Inc. dba	-	-	-	-	-
Treme-Harmony House Senior Center	-	-	-	-	-
Gentilly Senior Center, Inc. dba	-	-	-	178,889	-
Gentilly Senior Center	-	-	-	624,813	-
Total Grants to Subrecipients	<u>374,378</u>	<u>330,823</u>	<u>733,073</u>		
Total expenditures					
Excess (deficiency) of revenues over expenditures	256,497	(8,884)	(101,908)	(150,217)	266,662
Other financing sources (uses)					
Operating transfers in	64,580	8,884	101,908	150,217	-
Operating transfers out	<u>(100,000)</u>				<u>(110,792)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	221,077	-	-	-	155,870
Fund balance at July 1, 2009	<u>142,609</u>				
Fund balance at June 30, 2010	<u>\$ 363,686</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 155,870</u>
Note: Food costs consist of the following:					
Raw food	\$ 43,692	\$ 85,119	\$ 119,738		
Other	40,331	78,572	110,527		
	<u>\$ 84,023</u>	<u>\$ 163,691</u>	<u>\$ 230,265</u>		

NEW ORLEANS COUNCIL ON AGING, INC.

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS - Continued

For the year ended June 30, 2010

	SENIOR CENTER PROGRAMS		LEGISLATIVE FUNDS	SUPPLEMENTAL SENIOR CENTER PROGRAM	TOTAL
Revenues	SENIOR CENTER				
Intergovernmental					
Governor's Office of Elderly Affairs	\$ 102,394	\$ 273,789		\$ 460,714	\$ 2,398,559
City of New Orleans	-	-	-	-	400,000
Participant contributions	-	-	-	-	28,104
Interest income	-	-	-	-	1,861
Contribution	-	-	-	-	87,738
Other	-	-	-	-	45,872
	<u>102,394</u>	<u>273,789</u>		<u>460,714</u>	<u>3,162,134</u>
Expenditures					
Salaries	-	-	-	-	866,742
Fringe benefits	-	-	-	-	161,426
Travel	-	-	-	-	88,264
Operating services	-	-	-	-	174,319
Operating supplies	-	-	-	-	86,871
Other costs	19,218	-	-	-	27,710
Food costs	-	-	-	-	477,979
Utility assistance	-	-	-	-	2,506
Capital outlay	-	-	-	-	17,599
	<u>19,218</u>				<u>1,903,416</u>
Grants to subrecipients:					
City of New Orleans	-	-	-	-	54,890
Advocacy Center, Inc.	-	-	-	-	40,000
The Medical Team	-	-	-	-	29,605
Central City Economic Opportunity Corporation dba Central City Senior Center	88,884	12,869			101,753
Kingsley House, Inc. dba Kingsley House Adult Service Senior Center	48,586	7,872			56,458
Mercy Endeavors	22,568	7,872			30,440
Volunteers of America	-	-			54,394
Arthur Monday Senior Center	116,739	20,367			137,106
Senior Center Coordinator	42,449	-			42,449
Lower Algiers, Inc. dba Lower Algiers Senior Center	59,517	14,994			74,511
Uptown Area Senior Adult Ministry, Inc. dba Uptown Shepherd Senior Center	48,585	23,865			72,450
12 th Ward Save Our Community Organization dba Milan-Broadmoor Senior Center	22,568	79,343			101,911

NEW ORLEANS COUNCIL ON AGING, INC.

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS - Continued

For the year ended June 30, 2010

	<u>SENIOR CENTER</u>	<u>SENIOR CENTER PROGRAMS LEGISLATIVE FUNDS</u>	<u>SUPPLEMENTAL SENIOR CENTER PROGRAM</u>	<u>TOTAL</u>
Realization, Inc. dba	48,710	7,872	-	56,582
Reality House Senior Center				
Treme Community Education Program, Inc. dba	25,732	45,357	-	71,089
Treme-Harmony House Senior Center				
Gentilly Senior Center, Inc. dba	-	53,378	-	53,378
Gentilly Senior Center	524,338	273,789	-	977,016
Total Grants to Subrecipients	543,556	273,789	-	2,880,432
Total expenditures				
Excess (deficiency) of revenues over expenditures	(441,162)	-	460,714	281,702
Other financing sources (uses)				
Operating transfers in	460,714	-	-	786,303
Operating transfers out	(19,552)	-	(460,714)	(691,058)
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	-	376,947
Fund balance at July 1, 2009	-	-	-	142,609
Fund balance at June 30, 2010	\$ -	\$ -	\$ -	\$ 519,556

NEW ORLEANS COUNCIL ON AGING, INC.

STATEMENT OF GENERAL FIXED ASSETS AND CHANGES IN
GENERAL FIXED ASSETS

For the year ended June 30, 2010

	<u>Balance</u> <u>June 30, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2010</u>
General fixed assets, at cost:				
Transportation equipment	\$ 62,776	\$ 109,083	\$ -	\$ 171,859
Furniture and office equipment	<u>4,367</u>	<u>-</u>	<u>-</u>	<u>4,367</u>
Total general fixed assets	<u>\$ 67,143</u>	<u>\$ 109,083</u>	<u>\$ -</u>	<u>\$ 176,226</u>
Investment in general fixed assets:				
Property acquired with the following funds:				
Title III C-2	\$ 39,322	\$ -	\$ (21,913)	\$ 17,409
General Fund	26,360	130,996	-	157,356
Other Funds	<u>1,461</u>	<u>-</u>	<u>-</u>	<u>1,461</u>
	<u>\$ 67,143</u>	<u>\$ 130,996</u>	<u>\$ (21,913)</u>	<u>\$ 176,226</u>

NEW ORLEANS COUNCIL ON AGING, I NC.

SCHEDULE OF OPERATING TRANSFERS IN AND (OUT) - Continued

For the year ended June 30, 2010

	POWER TO CARE	HARRAH'S NFS CP	AUDIT FUNDS	SUPPLEMENTAL SENIOR CENTER PROGRAM	NSIP	TOTAL
Title III D Preventive Health	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,398
Title III B Supportive Services	-	-	-	-	-	150,217
Title III (C2) Home Delivered Meals Program	-	-	-	-	8,884	8,884
Senior Center Program	-	-	-	460,714	-	441,162
Title III E Caregiver Funds	-	-	-	-	-	7,699
Harrah's NFS CP	-	(1,410)	-	-	-	(1,410)
Title III (C1) Congregate Meal Program	-	-	-	-	101,908	101,908
NSIP	-	-	-	-	(110,792)	(110,792)
Act 735 - PCOA	-	-	-	-	-	(100,000)
General Fund	5,124	1,410	(5,650)	-	-	64,580
Meals on Wheels	-	-	-	-	-	(35,074)
Audit Funds	-	-	5,650	-	-	5,650
Supplement Senior Center Program	-	-	-	(460,714)	-	(460,714)
Pontchartrain Park Senior Center	-	-	-	-	-	(57,412)
GNO Foundation	-	-	-	-	-	(11,972)
Power To Care	(5,124)	-	-	-	-	(5,124)
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

NEW ORLEANS COUNCIL ON AGING, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended June 30, 2010

<u>Federal Grantor/Pass Through Grantors/Program Title</u>	<u>GRANTOR PASS THROUGH CONTRACT #</u>	<u>FEDERAL CFDA NUMBER</u>	<u>GRANT YEAR ENDED</u>	<u>PROGRAM OR AWARD AMOUNTS</u>	<u>REVENUE RECOGNIZED</u>	<u>FEDERAL EXPENDITURES</u>	<u>PASS- THROUGH FUNDS</u>
<u>U. S. Department of Health and Human Services</u> Passed through the Louisiana Governor's Office of Elderly Affairs: Special Programs for the Aging Aging Clusters							
Title III C1 - Area Agency Administration	CFMS# 673626	93.045	6/30/10	\$ 81,249	\$ 81,249	\$ 81,249	\$ -
Title III B - Supportive Services	CFMS# 673626	93.044	6/30/10	308,234	308,234	308,234	178,889
Title III C1 - Congregate Meals	CFMS# 673626	93.045	6/30/10	300,714	300,714	300,714	-
Title III C2 - Home Delivered Meals	CFMS# 673626	93.045	6/30/10	203,920	203,920	203,920	-
NSIP - Cash in Lieu of Commodities	CFMS# 672740	93.053	6/30/10	266,662	266,662	110,792	-
Congregate Meals ARRA	CFMS# 677522	93.707	6/30/10	49,452	49,452	49,452	-
Home Delivered Meals ARRA	CFMS# 677522	93.705	6/30/10	24,346	24,346	24,346	-
				<u>1,234,577</u>	<u>1,234,577</u>	<u>1,078,707</u>	<u>178,889</u>
Title III C1 - Area Agency Administration	CFMS# 673626	93.052	6/30/10	25,658	25,658	25,658	-
Title III D - Preventive Health	CFMS# 673626	93.043	6/30/10	22,542	22,542	22,542	-
Title III E - Caregiver	CFMS# 673626	93.052	6/30/10	126,759	126,759	126,759	91,896
Medicare Improvement For Patients and Provider Act for Beneficiary Outreach	CFMS# 684270	93.779	6/30/10	3,938	3,938	3,938	-
Medicare Improvements For Patients and Provider Act for Beneficiary Outreach	CFMS# 684270	93.071	6/30/10	6,561	6,561	6,561	-
Total U. S. Department of Health and Human Services						<u>\$ 1,264,165</u>	<u>\$ 270,785</u>
<u>U.S. Department of Homeland Security</u> Passed through United Way of Greater New Orleans Emergency Food and Shelter Program	365800-049	97.024	6/30/10	3,015	3,015	3,015	-
Total U. S. Department of Homeland Security						<u>3,015</u>	<u>-</u>

CASCIO & SCHMIDT, LLC

CERTIFIED PUBLIC ACCOUNTANTS

FRANCIS J. CASCIO, CPA
STEVEN A. SCHMIDT, CPA

MEMBERS
AMERICAN INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA CERTIFIED
PUBLIC ACCOUNTANTS

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

The Board of Directors
New Orleans Council on Aging, Inc.

We have audited the governmental activities, each major fund, and the aggregate remaining fund information of the New Orleans Council on Aging, Inc. as of and for the year ended June 30, 2010, which collectively comprise the New Orleans Council on Aging, Inc.'s basic financial statements and have issued our report thereon dated September 30, 2010. 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 New Orleans 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 entity's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the New Orleans Council on Aging, Inc.'s internal control over financing reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the New Orleans 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 instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the audit committee, management, Louisiana Legislative Auditor, others within the organization and the federal awarding agencies and pass-through agencies and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Carris & Schmiel, L.L.C.

Metairie, Louisiana
September 30, 2010

CASCIO & SCHMIDT, LLC

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STEVEN A. SCHMIDT, CPA

MEMBERS
AMERICAN INSTITUTE OF CERTIFIED
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REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

The Board of Directors
New Orleans Council on Aging, Inc.

Compliance

We have audited New Orleans Council on Aging, Inc. with the types of compliance requirements described in OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of New Orleans Council on Aging, Inc.'s major federal programs for the year ended June 30, 2010. New Orleans Council on Aging, Inc.'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 New Orleans Council on Aging, Inc.'s management. Our responsibility is to express an opinion on the New Orleans Council on Aging, Inc.'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. 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 New Orleans 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 on New Orleans Council on Aging's Inc.'s compliance with those requirements.

In our opinion, New Orleans Council on Aging, Inc., complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010.

Internal Control Over Compliance

Management of New Orleans 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 New Orleans Council on Aging, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance, and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 New Orleans Council on Aging, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the audit committee, management, Louisiana Legislative Auditor, others within the organization and the federal awarding agencies and pass-through agencies and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Carris + Schmitt, P.C.

Metairie, Louisiana
September 30, 2010

NEW ORLEANS COUNCIL ON AGING, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended June 30, 2010

A. SUMMARY OF THE AUDITOR'S REPORT

1. The auditor's report expresses an unqualified opinion on the financial statements of the New Orleans Council on Aging, Inc.
2. The statement that significant deficiencies in internal control were disclosed by the audit of the financial statements and whether such conditions were material weaknesses is not applicable.
3. No instances of noncompliance that were material to the financial statements of the auditee were disclosed during the audit.
4. The statement that significant deficiencies in internal control over major programs were disclosed by the audit and whether such conditions were material weaknesses is not applicable.
5. The auditor's report on compliance for the major federal award programs for the New Orleans Council on Aging, Inc. expresses an unqualified opinion on all major federal programs.
6. The audit disclosed no findings which are required to be reported under Section 510(a) of Circular A-133.
7. The program tested as a major program included:

U.S. Department of Health and Human Services

Passed through Louisiana Governor's Office of Elderly Affairs:

Aging Cluster

Title III C - 1 - Area Agency Administrative (CFDA #93.045)

Title III B - Supportive Services (CFDA #93.044)

Title III C1 - Congregate Meals (CFDA #93.045)

Title III C2 - Home Delivered Meals (CFDA #93.045)

NSIP - Cash in Lieu of Commodities (CFDA #93.053)

Congregate Meals - ARRA (CFDA #93.707)

Home Delivered Meals - ARRA (CFDA #93.705)

8. The threshold to distinguish between Type A and Type B programs was \$300,000.
9. New Orleans Council on Aging, Inc. did not qualify as a low-risk auditee.

NEW ORLEANS COUNCIL ON AGING, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued

Year ended June 30, 2010

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

There were no findings related to the financial statements for the year ended June 30, 2010.

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

There were no items identified in the course of my testing during the current year required to be reported.

D. STATUS OF PRIOR YEAR AUDIT FINDINGS

<u>Compliance</u>		<u>Resolved</u>	<u>Unresolved</u>
2009-1	Budgeting	X	

NEW ORLEANS COUNCIL ON AGING, INC.

EXIT CONFERENCE

June 30, 2010

An exit conference was held at the New Orleans Council on Aging, Inc.'s administrative offices on September 30, 2010. The following were in attendance:

Francis J. Cascio, CPA
Howard Rodgers III, Executive Director
Robert Bermudez, Board Member
John-Hoa Nguyen, Board Member