

EVANGELINE COUNCIL ON AGING, INC.
Ville Platte, Louisiana

Financial Report

Year Ended June 30, 2009

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

Release Date 1/27/10

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MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

The following discussion and analysis of Evangeline Council on Aging, Inc.'s financial performance provides an overview of the Council's financial activities for the year ended June 30, 2009. Please read it in conjunction with the financial statements, which begin on page 10.

FINANCIAL HIGHLIGHTS

The Council showed a net decrease in overall net assets of \$86,490 or 22.4% this year. Net assets of the Council totaled \$298,903 as of June 30, 2009.

The unreserved, undesignated fund balance for the Council's General Fund was \$229,202 at year-end, which is a decrease of \$75,538 from the prior year.

HOW TO USE THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 10 to 12) provide information about the activities of the Council as a whole and present a long-term view of the Council's finances. Fund financial statements begin on page 14. For governmental activities, these statements tell how services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the Council's operations in more detail than the government-wide statements by providing information about the Council's most significant funds.

Our auditor has provided assurance in his independent auditor's report, located immediately after this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. The auditor is providing varying degrees of assurance about Supplementary Financial Information Required by GASB Statement 34 and Supplementary Financial Information Required by GOEA that follow later in this reporting package. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each part of the financial section of the report.

Reporting the Council as a Whole Using Government-Wide Statements

Our analysis of the Council as a whole begins on page 3. An important question to ask about the Council's finances is, "Is the Council as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities (referred to collectively as the Government-Wide Financial Statements) report information about the Council as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting method used by most private-sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

The Government-Wide statements report the Council's net assets and changes in them. Some of the net assets are restricted which means they can only be used for a specific purpose. The Statement of Net Assets is designed to present the financial position of the Council as of year-end. Over time, increases or

decreases in the Council's net assets are one indicator of whether its financial position is improving or deteriorating. However, to assess the overall financial position of the Council, you will need to consider other nonfinancial factors, such as the condition of the Council's capital assets and facilities, the addition or termination of grants and other revenue sources, and the expansion or contraction of programs and services.

The Statement of Activities provides information that shows how the Council's net assets changed as a result of this year's activities. All of the Council's significant activities are reported in the Statement of Activities. These activities include an Administration function and a Health, Welfare, and Social Services function. The Health, Welfare, and Social Services function is comprised of various programs that include various supportive social services, nutritional services, utility assistance, and disease prevention and health promotion. All activities of the Council are considered to be governmental activities. A governmental activity is one where the Council uses money it receives from government grants and contracts, along with donations from the general public, to pay for the services it provides to the general public, or a segment of the general public, such as the elderly. In other words, the people benefiting from the services are not required to pay for what they receive. If the Council charged fees to cover all or most of the cost of providing a service, that activity would be classified as a business-type activity. The Council does not have any business-type activities. However, the Council does charge a fee for persons under 60 years old to ride the Council's vans. We do not view the fees we charge for these activities as a business-type activity because we do not intend to make a profit or recover the full cost of providing the service.

Reporting the Council's Most Significant Funds Using Fund Financial Statements

Our analysis of the Council's major funds begins on page 5. The Fund Financial Statements can be found on pages 14 to 16 and provide detailed information about the most significant funds - not the Council as a whole. In the Fund Financial Statements you will see a General Fund and a variety of Special Revenue Funds. The General Fund is used to account for all financial resources except those that are required to be accounted for in another fund. The Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes. By using separate funds to track revenues and expenditures, we can control and manage funds for particular purposes or we can show that the fund is meeting legal responsibilities for using certain grants and other money.

The General Fund and Special Revenue Funds are considered governmental funds. Governmental funds focus on how money flows into and out of funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called the modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the Council's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Council's programs. We have presented the difference between the net assets of governmental activities and the fund balances of the governmental funds in a reconciliation at the bottom of the Balance Sheet for Governmental Funds. In addition, the difference between the change in net assets for the governmental funds and the change in net assets for the governmental activities has been presented in a reconciliation on a separate page that follows the Statement of Revenues, Expenditures, and Changes in Fund Balances for the Governmental Funds.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 17 to 33. You should read the notes before making assumptions or drawing conclusions about the Council's financial condition.

Supplementary Financial Information Required by GASB Statement 34

The Governmental Accounting Standards Board (GASB) Statement 34 requires budgetary comparison schedules for the General Fund and each major Special Revenue Fund that has a legally adopted annual budget. The schedules compare the original and final appropriated budgets to actual budget results for the Council’s fiscal year. We have also opted to present positive and negative variances between the final budget and actual amounts.

Major funds are those funds whose revenues, expenditures, assets, or liabilities are at least 10% of corresponding totals for all governmental funds. In addition, a major fund could be a fund that does not meet these criteria but which we believe is important to present for the Council’s financial statement users.

Management’s Discussion and Analysis is also required supplementary information (RSI) by GASB Statement 34. However, it is presented as the first item in this reporting package and not with the other RSI by GASB Statement 34.

Other Supplementary Financial Information Required by GOEA

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

The Governor’s Office of Elderly Affairs (GOEA) has required the Council to present as schedules the information on pages 39 to 41. This information will be used by GOEA to verify the accuracy of information the Council submitted to it during the year and to help GOEA monitor certain compliance requirements set forth in the grants that it has with the Council.

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

The following table reflects condensed information on the Council’s net assets:

	<u>2009</u>	<u>2008</u>
Current and other assets	\$ 272,600	\$ 347,284
Capital assets, net of depreciation	<u>226,590</u>	<u>249,564</u>
Total assets	<u>499,190</u>	<u>596,848</u>
Compensated absences	11,860	7,935
Other current liabilities	10,245	16,818
Non-current liabilities	<u>178,182</u>	<u>186,702</u>
Total liabilities	<u>200,287</u>	<u>211,455</u>
Invested in capital assets, net of related debt	39,887	54,756
Restricted	35,743	27,701
Unrestricted	<u>223,273</u>	<u>302,936</u>
Total net assets	<u>\$ 298,903</u>	<u>\$ 385,393</u>

As of June 30, 2009, the Council “as a whole” had assets greater than its liabilities by \$298,903. The total net assets of the Council decreased \$86,490 or 22.4% from the prior year.

The Council’s unrestricted net assets decreased by \$79,663 or 26.3% over the year. This illustrates that the Council’s financial position has deteriorated. About 75% of the Council’s net assets are unrestricted as of June 30, 2009. It is important that the Council have unrestricted net assets so that we will have resources available to adapt to changes in the economy, emergencies, unexpected needs, and reductions in or termination of grant revenues by government agencies.

About 25% of Council's net assets are restricted. Net assets are reported as restricted when the constraints placed upon the asset's use are either (a) externally imposed by a grantor, contributor, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

The net assets that have been invested in capital assets are presented net of any related outstanding debt incurred to acquire the capital assets. Currently, the building is the only capital asset that has outstanding debt associated with it.

The liability for compensated absences increased \$3,925 or 49% during the year. This liability represents what the Council would owe to its employees as of year-end for unused vacation leave. This liability could adversely affect the Council's financial position if we were to have to lay off a significant portion of our workforce. This event would trigger the immediate payment of unused vacation to the terminated employees resulting in the Council having to use unrestricted net assets to make the payments.

The following table reflects condensed information on the Council's change in net assets:

	<u>2009</u>	<u>2008</u>
Revenues		
Program Revenues	\$ 1,000,729	\$ 997,534
General Revenues	<u>169,072</u>	<u>172,699</u>
Total Revenues	<u>1,169,801</u>	<u>1,170,233</u>
Direct Program Expenses of the Health, Welfare, and Social Services Function		
Supportive Services	93,079	94,976
Nutrition Services	260,083	211,956
Utility Assistance	4,426	3,971
Disease prevention and health promotion	4,228	5,137
National family caregiver support	48,152	22,105
Senior center	37,145	35,585
Transportation	359,798	369,119
Medicaid services for the elderly	325,509	309,668
Direct administrative expenses	<u>123,870</u>	<u>82,335</u>
Total expenses	<u>1,256,290</u>	<u>1,134,852</u>
	<u>\$ (86,489)</u>	<u>\$ 35,381</u>

The Council's total revenues decreased \$433 or .04% versus last year and total expenses increased by \$121,438 or 10.7%.

AN ANALYSIS OF GOVERNMENTAL ACTIVITIES

Most of the Council's activities are funded by federal, state, and local grants. These grants amount to approximately 71% of the revenues of the Council in 2009 and 73% in 2008. Some of these grants are restricted which means that the money can only be used in certain programs. The amount of funds available from most of the grants remains rather constant from year to year, however, some grant amounts may change based upon the level of service provided by the Council under the terms of the particular grant award.

The Council also receives donations from its clients and the general public. These revenues help to lessen the financial burden on the Council and allow it to maintain and expand services. Public support revenues represented 5% and 6% of the total revenues for 2009 and 2008, respectively.

The Council invests idle funds and is able to earn some interest on this money each year. The investment earnings are used or accumulated as necessary to meet expenses each year.

When reviewing the Government-Wide Statement of Activities, there are relationships that are important to the understanding of the Council's operations. The Council's largest activities are related to transportation, work opportunities and nutrition services. The Council's main focus is to meet the needs of the elderly citizens of Evangeline Parish. There is a high demand for these services; therefore, resources are channeled to meeting the demand.

You will also note that most of the governmental activities have more expenses than revenues. We expect this situation to occur and have prepared the Council's budgets for these activities with this in mind. Traditionally, general revenues are used to cover the excess of expenses over revenues in these activities.

Another indication of how we are using money efficiently can be analyzed by comparing the amount of administration costs from year to year as well as calculating the percentage administration expenses bears in relation to the total expenses. For 2009, total administration expenses were \$285,401, or 23% of total expenses. In comparison, total administration expenses for last year were \$237,778, or 21%.

Finally, there are certain programs that have revenues greater than expenses for the year. The grants received for these programs can only be used to pay for costs in the respective programs. Depending on the number of units provided, the types of costs charged to this program, and the amount of grant funds available to use in this program, it is possible that some money earned under this grant may not be needed this year to help pay for all of the program's costs. Any unused grant funds are recorded as a restricted net asset of the respective programs and will be available for use next year if necessary.

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

Fund Balances

The Council showed a combined governmental fund balance of \$270,876 (as shown on the Fund Financial Statement's balance sheet on pages 14 and 15) at the end of this year, which is a decrease of \$67,696 versus last year.

Revenues

The combined fund revenues decreased \$433 this year versus last year, or .04%.

Expenditures

Total expenditures increased by \$94,151 this year, or 8.2%.

AN ANALYSIS OF THE GENERAL FUND BUDGET

You can find schedules of the original and amended budgets for the General Fund in the Supplementary Financial Information Required by GASB Statement 34 section of this report on page 35.

AN ANALYSIS OF CAPITAL ASSET AND DEBT ADMINISTRATION

At the end of the year, the Council had \$226,590 in fixed assets net of accumulated depreciation. This represents a net decrease of \$22,974 from last year. The decrease is attributable to current year depreciation expense and current year additions.

There was one addition of a computer to fixed assets for the current year.

The Council's major asset is its building, including land, with a value of \$202,502 net of accumulated depreciation. The Council has a note payable with a balance of \$186,703 which was used to finance the purchase of the building. This is a 30 year note bearing interest at 5% and will mature on August 23, 2025. The payments, including interest, total \$17,664 annually. As of June 30, 2009, the Council was current with all note payments and has been since the inception of the note.

We have already discussed the nature and effects of the compensated absence liability.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The Council receives most of its funding from federal and state agencies. Because of this, the source of income for the Council is rather steady. However, some of the Council's grants and contracts are contingent upon the level of service provided by the Council, and therefore, revenues may vary from year to year. In setting its budget for fiscal year 2010, it was important that we deliver at least the same level of service to our clients and the public as we did in 2009. All of the Council's grants and contracts from the usual federal and state agencies have been approved for FY 2010. There have been no significant changes to the funding levels or terms of the grants and contracts. Accordingly, we have set our initial budget to provide the same programs and levels of service next year. GOEA has also approved the Council's budget for next year. There are no plans to add any significant programs for next year.

CONTACTING THE COUNCIL'S MANAGEMENT

Our financial report is designed to provide government agencies and the general public an overview of the Council's finances and to demonstrate accountability for the money that it receives. If you have any questions about this report or wish to ask for more information, you should contact Eugene LeBoeuf, the Council's Executive Director, at the Council's main office located at 1012 Reed Street, Ville Platte, LA, 70586 or by phone at 337-363-5161.



**Darnall, Sikes,
Gardes Frederick.**

(A Corporation of Certified Public Accountants)

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Evangeline Council on Aging, Inc.
Ville Platte, Louisiana

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

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Evangeline Council on Aging, Inc. as of June 30, 2009, and the respective changes in financial position 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 November 13, 2009, on our consideration of the Evangeline Council on Aging, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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The management's discussion and analysis and budgetary comparison information on pages 1 through 6 and 35 through 37, are not a required part of the basic financial statements but are supplementary information required by the 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 opinions on the financial statements that collectively comprise the Evangeline Council On Aging, Inc.'s basic financial statements. The schedule of nonmajor funds and comparative schedule of general fixed assets on pages 39 through 41 are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Darnall, Sikes, Gardes & Frederick

A Corporation of Certified Public Accountants

Lafayette, Louisiana

November 13, 2009

GOVERNMENT WIDE FINANCIAL STATEMENTS

EVANGELINE COUNCIL ON AGING, INC.

Government Wide Statement of Net Assets
June 30, 2009

	<u>Governmental Activities</u>
ASSETS	
Cash	\$ 145,282
Certificate of deposit	35,414
Grants and contracts receivable	81,975
Prepaid expenses	9,929
Capital assets, net of accumulated depreciation	<u>226,590</u>
Total Assets	<u>499,190</u>
LIABILITIES	
Accounts payable	415
Advance deposits	1,309
Accrued compensated absences	11,860
Note payable:	
Current portion	8,521
Non-current portion	<u>178,182</u>
Total Liabilities	<u>200,287</u>
NET ASSETS	
Invested in Capital Assets, net of debt	39,887
Restricted for:	
Utility assistance	235
Debt service - building	25,579
Prepaid expenses	9,929
Unrestricted	<u>223,273</u>
Total Net Assets	<u>\$ 298,903</u>

The accompanying notes are an integral part of this statement.

EVANGELINE COUNCIL ON AGING, INC.

Government Wide Statement of Activities
Year Ended June 30, 2009

<u>Function/Programs</u>	<u>Direct Expenses</u>	<u>Indirect Expenses</u>
Governmental Activities		
Health, Welfare & Social Services:		
Supportive Services:		
Homemaker	\$ 18,167	\$ 9,648
Information and assistance	10,779	5,724
Outreach	20	11
Telephoning	4,231	2,247
Transportation	22,618	12,011
Visiting	4,979	2,644
Nutrition Services:		
Congregate meals	19,341	9,647
Nutrition education	225	112
Home delivered meals	162,647	68,111
Utility Assistance	4,426	-
National family caregiver support:		
Personal care	30,425	12,945
Information and assistance	3,355	1,427
In-Home Services	2,727	1,501
Senior Center	32,059	5,086
Transportation	349,895	9,903
DHH Medicaid Waiver:		
Other services	103,737	6,977
Personal care	201,258	13,537
Administration	285,401	(161,531)
Total governmental activities	<u>\$ 1,256,290</u>	<u>\$ -</u>

Charges for Services	Program Revenues		Total Governmental Activities	Net (Expense) Revenue and Increases (Decreases) in Net Assets
	Operating Grants and Contributions	Capital Grants and Contributions		
\$ 1,618	\$ 20,932	\$ -	\$ (5,265)	
-	12,881	-	(3,622)	
-	35	-	4	
-	5,635	-	(843)	
4,696	33,191	-	3,258	
-	6,441	-	(1,182)	
5,873	30,056	-	6,941	
-	516	-	179	
47,027	30,922	-	(152,809)	
-	4,113	-	(313)	
4,593	23,426	-	(15,351)	
-	4,903	-	121	
-	3,969	-	(259)	
2,851	39,209	-	4,915	
4,174	288,500	-	(67,124)	
-	41,136	-	(69,578)	
-	260,162	-	45,367	
17,664	106,206	-	-	
<u>\$ 88,496</u>	<u>\$ 912,233</u>	<u>\$ -</u>	<u>(255,561)</u>	

General Revenues:

Grants and contributions not restricted to specific programs	148,255
Unrestricted Investment Income	4,314
Miscellaneous	16,502
Total general revenues and special items	<u>169,071</u>
Increase in net assets	(86,490)
Net assets - beginning of the year	<u>385,393</u>
Net assets - end of the year	<u>\$ 298,903</u>

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

EVANGELINE COUNCIL ON AGING, INC.

Balance Sheet
Governmental Funds
June 30, 2009

	General Fund	Title III C-2	Transportation Allocation Pool	Non-Major Funds	Total
ASSETS					
Cash	\$ 119,703	\$ -	\$ -	\$ -	\$ 119,703
Restricted cash	25,579	-	-	-	25,579
Certificate of Deposit	35,414	-	-	-	35,414
Grants and contracts receivable	16,588	2,853	48,111	14,423	81,975
Due from other funds	59,212	-	-	-	59,212
Prepaid expenditures	9,929	-	-	-	9,929
Total Assets	<u>266,425</u>	<u>2,853</u>	<u>48,111</u>	<u>14,423</u>	<u>331,812</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	415	-	-	-	415
Deferred revenues	1,300	-	9	-	1,309
Due to other funds	-	2,853	42,171	14,188	59,212
Total Liabilities	<u>1,715</u>	<u>2,853</u>	<u>42,180</u>	<u>14,188</u>	<u>60,936</u>
FUND BALANCES					
Reserved for future expenditures	9,929	-	-	235	10,164
Reserved for debt service	25,579	-	-	-	25,579
Unreserved/Undesignated:					
General Fund	229,202	-	-	-	229,202
Special Revenue Fund	-	-	5,931	-	5,931
Total Fund Balances	<u>264,710</u>	<u>-</u>	<u>5,931</u>	<u>235</u>	<u>270,876</u>
Total Liabilities and Fund Balances	<u>\$ 266,425</u>	<u>\$ 2,853</u>	<u>\$ 48,111</u>	<u>\$ 14,423</u>	

Amounts reported for governmental activities in the statement of net assets are difference because:

- Compensated absences are not paid for out of current financial resources and therefore are not reported in the funds	(11,860)
- Notes payable are not due and payable in the current period and therefore are not reported in the funds	(186,703)
- Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	<u>226,590</u>
Net assets of governmental activities	<u>\$ 298,903</u>

The accompanying notes are an integral part of this statement

EVANGELINE COUNCIL ON AGING, INC.

Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 Year Ended June 30, 2009

	General Fund	Title III C-2	Transportaion Allocation Pool	Non-Major Funds	Total Governmental Funds
REVENUES					
Intergovernmental					
Governor's Office of Elderly Affairs	\$ 37,500	\$ -	\$ -	\$ 41,814	\$ 79,314
Cajun Area Agency on Aging	-	30,922	-	139,349	170,271
Department of Health and Hospitals	301,298	-	81,107	-	382,405
Department of Transportation and Development	-	-	179,565	-	179,565
Department of Social Services	-	-	23,068	-	23,068
Program Service Fees:					
Transportation	-	-	-	4,696	4,696
Homemaker	-	-	-	1,618	1,618
Meals provided	-	40,729	-	5,873	46,602
Personal care	-	-	-	961	961
Public fares	-	-	4,174	-	4,174
Investment Income	4,548	-	-	-	4,548
Local and miscellaneous:					
Ad valorem taxes	142,346	-	-	-	142,346
State revenue sharing	14,197	-	-	-	14,197
United Way	7,000	-	-	-	7,000
Heritage manor	-	-	4,290	-	4,290
Senior trips	50,811	-	-	-	50,811
Cleco	-	-	-	4,113	4,113
Rental income	17,664	-	-	-	17,664
Other	16,268	6,298	470	9,119	32,155
Total Revenues	<u>591,632</u>	<u>77,949</u>	<u>292,674</u>	<u>207,543</u>	<u>1,169,798</u>
EXPENDITURES					
Health, Welfare, & Social Services					
Current:					
Personnel	250,881	135,740	137,239	142,667	666,527
Fringe	21,203	11,411	11,350	11,901	55,865
Travel	6,847	46,311	3,124	9,583	65,865
Operating Services	68,437	32,525	167,570	39,605	308,137
Operating Supplies	4,890	4,560	39,742	7,933	57,125
Other Costs	55,907	210	773	239	57,129
Utility Assistance	-	-	-	4,427	4,427
Capital Outlays	4,755	-	-	-	4,755
Debt Service -					
Principal	8,105	-	-	-	8,105
Interest	9,559	-	-	-	9,559
Total Expenditures	<u>430,584</u>	<u>230,757</u>	<u>359,798</u>	<u>216,355</u>	<u>1,237,494</u>
Excess (deficiency) of revenues over expenditures	<u>161,048</u>	<u>(152,808)</u>	<u>(67,124)</u>	<u>(8,812)</u>	<u>(67,696)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	1,248	152,808	67,124	25,743	246,923
Transfers out	(229,678)	-	-	(17,245)	(246,923)
Total other financing sources and uses	<u>(228,430)</u>	<u>152,808</u>	<u>67,124</u>	<u>8,498</u>	<u>-</u>
Net Increase in fund balances	(67,382)	-	-	(314)	(67,696)
FUND BALANCES					
Beginning of the year	<u>332,092</u>	<u>-</u>	<u>5,931</u>	<u>549</u>	<u>338,572</u>
End of the year	<u>\$ 264,710</u>	<u>\$ -</u>	<u>\$ 5,931</u>	<u>\$ 235</u>	<u>\$ 270,876</u>

The accompanying notes are an integral part of this statement

EVANGELINE COUNCIL ON AGING, INC.

Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended June 30, 2009

Net Increase in fund balances - total governmental funds	\$ (67,696)
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$27,729) exceeds capital outlays (\$4,755) during the period</p>	(22,974)
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:</p>	
Compensated absences	(3,925)
<p>Governmental funds report principal payments on debt as expenditures. However, in the statement of activities these payments are recorded as a reduction of the note payable and not as an expense.</p>	<u>8,105</u>
Increase in net assets of governmental activities	<u>\$ (86,490)</u>

EVANGELINE COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Purpose of the Council on Aging

The purpose of the Council is to collect facts and statistics and make special studies of conditions pertaining to the employment, financial status, recreation, social adjustment, mental and physical health or other conditions affecting the welfare of the aging people in Evangeline 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 Evangeline Parish include providing congregate and home delivered meals, nutritional education, personal care, information and assistance, outreach, material aid, utility assistance, homemakers, recreation, legal assistance, disease prevention, health promotion, and transportation.

B. Reporting Entity

In 1964, the State of Louisiana passed Act 456 authorizing the charter of a voluntary council on aging for the welfare of the aging people in each parish of Louisiana. However, before the council on aging can begin operations in a specific parish, its application for 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 each council is governed by the policies and regulations established by GOEA.

The Evangeline Council On Aging, Inc. is a legally separate, non-profit, quasi-public corporation. It received its charter and began operations on October 1, 1971.

A board of directors, consisting of 21 voluntary members, who serve three-year terms, governs the Council. The board of directors is comprised of, but not limited to, representatives of the Parish's elderly population, general public, private businesses, and elected public officials.

Membership in the Council is open at all times, without restriction, to all residents of Evangeline 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.

EVANGELINE COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Based on the criteria set forth in GASB Statement 14, the Evangeline 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, levy its own taxes or set rates or charges, and issue bonded debt. As previously mentioned, 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.

C. Presentation of Statements

The Council's statements are prepared in accordance with accounting principles generally accepted (GAAP) in the United States of America as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements.

The Council has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds; however, the Council has chosen not to do so because it does not have any business-type activities or enterprise funds.

D. 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. Accordingly, the Government-Wide financial statements do not include any of these activities or funds.

EVANGELINE COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In the Government-Wide Statement of Net Assets, the governmental type activities column (a) is presented on a consolidated basis by column, (b) 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. The Council's net assets are reported in three parts - invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. Invested in capital assets, net of related debt consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those capital assets. 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, net of related debt."

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 and net cost 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. The Statement of Activities begins by presenting gross direct and indirect expenses that include depreciation, and then reduces the expenses by related program revenues, such as operating and capital grants and contributions, to derive the net cost of each function or program. Program revenues must be directly associated with the function or program to be used to directly offset its cost. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

The Council allocates its indirect costs among various functions and programs in accordance with Circular A-87. The Statement of Activities shows this allocation in a separate column labeled "indirect cost allocation." In addition, 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.

EVANGELINE COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. 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.

Governmental fund equity is called the 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 general operating fund of the Council. It is used to account for all financial resources except those required to be accounted for in another fund.

Included in the General Fund are the PCOA and the Medicaid programs. The following is a brief description of each of these programs:

PCOA (Act 735) funds are appropriated for the Governor's Office of Elderly Affairs by the Louisiana Legislature for remittance to the Council. The Council may use the "Act 735" funds at its discretion provided the program is benefiting people who are least 60 years old.

Medicaid funds are received from the Department of Health and Hospitals by the Council for coordinating services for people who are homebound and in need of services similar to those provided in a nursing home rather than having that person sent to a nursing home.

EVANGELINE COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 Title III C-2 Fund is used to account for funds that are used to provide nutritional meals to homebound older persons. Using Title III C-2 funds, the Council served 80,180 meals during the year to people eligible to participate in this program.

The Transportation Pool Fund is used to account for Section 5310 and 5311 funds provided by the United States Department of Transportation and passed through the Louisiana Department of Transportation for local transportation services, as well as other various funds earned and received from providing transportation services.

Non-Major Special Revenue Funds

The Title III B Fund is used to account for funds, which are used to provide various units of supportive social services to the elderly. GOEA has established the criteria for defining a qualifying unit of service for each Title III program. Specific supportive social services, along with the number of units provided during the fiscal year, are as follows:

	<u>Units</u>
Information and assistance	749
Outreach	27
Homemaker	1,902
Transportation for people age 60 or older	4,631
Telephoning	2,921
Visiting	744

The Title III C-1 Fund is used to account for funds that are used to provide nutritional, congregate meals to the elderly in strategically located centers. During the fiscal year, the Council served 9,935 congregate meals to people eligible to participate in this program. In addition to meals serviced, the Council also provided 68 units of nutritional education to eligible participants.

EVANGELINE COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Title III D Fund is used to account for funds that are used for disease prevention and health promotion activities. During the year 2,391 units of wellness service and 109 units of medication management were provided to eligible participants in this program.

The Title III-E Fund is used to account for funds that are used to provided services, such as: (1) information to caregivers about available services, (2) assistance to caregivers in gaining access to the services, (3) individual counseling, (4) organizational support groups, (5) caregiver training to caregivers in making decisions and solving problems relating to their care giving roles, (6) respite care to enable caregivers to be temporarily relieved from their care giving responsibilities, and (7) supplemental services, on a limited basis, to complement the care provided by caregivers. The number of units provided under Title III-E are as follows:

	<u>Units</u>
Information and assistance	256
In Home Respite	2,075
Personal Care	570

The Senior Center Fund is used to account for the administration of Senior Center program funds appropriated by the Louisiana Legislature to GOEA, which in turn "passes through" the funds to the Council. The purpose of this program is to provide a community service center at which elderly people can receive supportive social services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community. The Council operates two senior centers in Evangeline Parish, Louisiana. Senior Center funds can be used at management's discretion to support any of the Council's programs that benefit the elderly.

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 Evangeline Council On Aging, Inc. was one of the parish councils to receive a supplemental grant of \$2,605. The money received by this fund during the year was transferred to the Senior Center Fund to supplement the supportive services provided by this fund. GOEA provided these funds to the Council.

EVANGELINE COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Special Five Fund is used to account for revenues received from the Rapides Senior Citizens, Inc., along with the required cash match from Evangeline Council On Aging, Inc., and the expenditures associated with the Title V program.

The Utility Assistance Fund (Energy Fund) is used to account for the administration of utility assistance programs that are sponsored by local utility companies. The companies collect contributions from service customers and remit the funds to the parish councils on the aging to provide assistance to the elderly for the payment of utility bills. The Council receives its Project Care donations directly from Cleco Corporation. LP&L Helping Hands donations are provided through the Louisiana Association of Councils on Aging, Inc. (LACOA).

The Extra Five Fund is used to account for interest earned on the Title V Program revenues.

F. Measurement Focus and Basis of Accounting

Basis of accounting refers to when revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual Basis – Government-Wide Financial Statements (GWFS):

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 and exchange-like transactions are recognized when the exchange takes place.

Modified Accrual Basis – Fund Financial Statements (FFS):

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

EVANGELINE COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Interfund Activity

Interfund activity is reported as either loans or transfers. Loans between funds are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. All other interfund transactions are treated as transfers. Transfers 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.

H. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and petty cash. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Cash and cash equivalents are reported at their carrying amounts that equal their fair values.

I. Investments

GASB Statement 31 requires the Council to report its investments at fair value, except for investments in non-participating interest-earning contracts, such as non-negotiable certificates of deposit with redemption terms that do not consider market rates. This type of investment is reported using a cost-based measure, provided that the fair market value of the contract is not significantly affected by the impairment of the credit standing of the issuer or other factors.

Investments that include securities traded on a national or international exchange are valued based on their last reported sales price. Investments that do not have an established market are reported at estimated fair value.

J. Prepaid Expenses/Expenditures

Prepaid expenses include amounts paid for services in advance. These are shown as assets on the Government-Wide Statement of Net Assets.

In the Fund Financial Statements, the Council has elected not to include amounts paid for future services as expenditures until those services are consumed to comply with the cost reimbursement terms of grant agreements. As a result, the prepaid expenditures are shown as an asset on the balance sheet of the Fund Financial Statements until they are consumed. In addition, a corresponding amount of the fund balance of the General Fund has been reserved to reflect the amount of fund balance not currently available for expenditure.

EVANGELINE COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Capital Assets

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

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

Building and improvements	40 years
Equipment	5-7 years
Vehicles	5 years
Computers	3 years

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

L. Unpaid Compensated Absences

The Council's policies allow employees to carry forward 15 days of unused annual leave and 30 days of sick leave. Annual and sick leave accumulates at various rates determined by years of service. Accumulated annual leave is paid upon termination while sick leave is not paid. Accordingly, a liability for the unpaid vacation leave has been recorded in the Government-Wide Statements. Management has estimated the current and long-term portions of this liability based on historical trends. 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. An amount is added to this total for social security and Medicare taxes.

In contrast, the governmental funds in the Fund Financial Statements report only compensated absence liabilities that are payable from expendable available financial resources to the extent that the liabilities mature (or come due for payment). Vacation leave does not come due for payment until an employee makes a request to use it or terminates employment with the Council. Accordingly, no amounts have been accrued as fund liabilities as of year-end in the Fund Financial Statements. The difference in the methods of accruing compensated absences creates a reconciling item between the fund and government-wide financial statement presentations.

EVANGELINE COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Council's sick leave policy does not provide for the vesting of sick leave thereby requiring the employee to be paid for any unused leave upon termination of employment. Accordingly, no amounts have been accrued as unpaid compensated absences in the Government-Wide Financial Statements relative to sick leave.

M. Allocation of Indirect Expenses

The Council reports all direct expenses by function and programs of functions in the Statement of Activities. Direct expenses are those that are clearly identifiable with 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 allocation according to their grant or contract limitations.

N. 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.

O. Elimination 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 or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

P. Deferred Revenues

The Council reports deferred revenues on its Statement of Net Assets and on the balance sheet of the Fund Financial Statements. Deferred revenues arise when the Council receives resources before it has a legal claim to them, as when grant monies are received before the occurrence of qualifying expenditures. In subsequent periods, when the Council has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

NOTE 2 REVENUE RECOGNITION

Revenues are recorded in the Government-Wide Statements when they are earned under the accrual basis of accounting.

EVANGELINE COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 2 REVENUE RECOGNITION (Continued)

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

NOTE 3 PROPERTY TAX

The Council receives funds from a property tax, which was adopted by the voters of Evangeline Parish. The parish tax is levied each year by the Evangeline Parish Tax Assessor on November 15, based upon the assessed value on the previous January 1 of all real and business personal property within the Parish. The assessed value of the property on the tax rolls as of January 1, 2009 was \$203,305,340.

The tax becomes due on November 15 and is considered delinquent if not paid by December 31. Most of the property tax revenues are collected during the months of December, January and February. During May, (of the year after the year when the tax was due), properties with delinquent taxes are advertised for auction by the Parish Sheriff. The auction is normally scheduled for June or July. It is at this time a lien is placed on the property. Properties not sold at the auction are adjudicated to the State of Louisiana.

After considering tax exemptions, the net amount of property taxes received by the Council was \$142,346.

NOTE 4 CASH

The Council maintains a consolidated bank account that is available for use by all funds other than those required to maintain separate accounts. The purpose of this consolidated account is to reduce administration costs and facilitate cash management. The consolidated account also allows those funds with available cash resources to temporarily cover any negative cash balances in other funds.

At year-end, the carrying amount of the Council's cash balances on the books was \$145,282, whereas the related bank cash balances totaled \$201,619. The difference in the book and bank balances for cash relates primarily to deposits made and checks written which did not clear the bank accounts by year-end. All bank balances were covered by federal depository insurance. Accordingly, all bank and brokerage firm deposits are classified as a "Category 1" credit risk in accordance with GASB Statement 3.

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

1. Insured by FDIC or collateralized with securities held by the Council or by its agent in the Council's name. (Category 1)

EVANGELINE COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 4 CASH (Continued)

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

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a legal requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Council that the fiscal agent has failed to pay deposited funds upon demand.

Under state law, all bank deposits must be (1) secured by federal deposit insurance or by the pledge of securities owned by the fiscal agent bank, or (2) invested exclusively in instruments backed by the U.S. government. The fair value of the pledged securities plus the federal deposit insurance must always equal or exceed the amount on deposit with the fiscal agent.

NOTE 5 INVESTMENTS

The Council's primary purpose for investing is to earn interest income on money that its management has determined to be in excess of immediate cash needs. Louisiana Revised Statute 33:2955 sets forth a list of the types of investments in which a political subdivision may invest its temporarily idle funds.

At year-end, the Council's investments consisted of a certificate of deposit held at Evangeline Bank in the amount of \$35,414, bearing an annual interest rate of 1.75%, with a maturity date of March 16, 2010. The certificate of deposit has been recorded at cost, which approximates market value. The market value of the above account does not fluctuate. Management intends to hold this investment until its maturity; thus, no entry has been made on the books to reflect any increases or decreases in market value at year end.

The above investment is fully insured by FDIC and classified as a "Category 1" type credit risk in accordance with GASB Statement No. 3 as defined in Note 4.

NOTE 6 GOVERNMENT GRANTS AND CONTRACTS RECEIVABLE

Government grants and contracts receivable represent amounts owed to the Council under a grant award or contract with a provider of federal, state, or local funds; such amounts being measurable and available as of year-end.

EVANGELINE COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 6 GOVERNMENT GRANTS AND CONTRACTS RECEIVABLE (Continued)

Government grants and contracts receivable at year-end, consist of reimbursements for expenses incurred under the following programs:

<u>Program</u>	<u>Fund</u>	<u>Provider</u>	<u>Amount</u>
Social Services	III-B	CAAA	\$ 6,973
Congregate Meals	III C-1	CAAA	2,833
Home Delivered Meals	III C-2	CAAA	2,853
Disease Prevention	III-D	CAAA	672
Caregivers	III-E	CAAA	2,912
Medicaid	General	DHH	16,579
Medicaid	Transportation	DHH	4,417
Transportation	Transportation	FIW	1,434
Transportation	Transportation	DOTD	42,125
Various	Various	Various	<u>1,177</u>
Total government grants and contracts receivable			<u>\$ 81,975</u>

NOTE 7 CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets is as follows:

	<u>Balance 07/01/08</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance 06/30/09</u>
Capital Assets:				
Land	\$ 32,000	\$ -	\$ -	\$ 32,000
Building & improvements	263,154	-	-	263,154
Furniture & equipment	<u>267,198</u>	<u>4,755</u>	-	<u>271,953</u>
Subtotal	<u>562,352</u>	<u>4,755</u>	-	<u>567,107</u>
Accumulated depreciation:				
Building & improvements	86,073	6,579	-	92,652
Land	-	-	-	-
Furniture & equipment	<u>226,715</u>	<u>21,150</u>	-	<u>247,865</u>
Subtotal	<u>312,788</u>	<u>27,729</u>	-	<u>340,517</u>
Net capital assets	<u>\$ 249,564</u>	<u>\$ (22,974)</u>	<u>\$ -</u>	<u>\$ 226,590</u>

Depreciation was charged to governmental activities as administration expense.

NOTE 8 BOARD OF DIRECTORS' COMPENSATION

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. However, board members are reimbursed for any out-of-pocket costs they might incur on behalf of the Council in accordance with the Council's applicable reimbursement policy.

EVANGELINE COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 9 INCOME TAX STATUS

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

NOTE 10 INTERFUND RECEIVABLES AND PAYABLES

Because the Council 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 loans in the Fund Financial Statements. Following is a summary of these interfund loans at year end:

	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 59,212	\$ -
Special Revenue Funds:		
Title IIIB	-	6,973
Title III C-1	-	2,833
Title III C-2	-	2,853
Title III-D	-	672
Title III-E	-	2,912
Transportation Allocation Pool	-	42,171
Energy Fund	-	798
	<u> -</u>	<u> 798</u>
Total	<u>\$ 59,212</u>	<u>\$ 59,212</u>

These loans have been eliminated as a part of the consolidation process in preparing the Government-Wide Financial Statements.

NOTE 12 RESERVED FUND BALANCE

Reserved fund balance represents amounts restricted for required expenditures and for the pre-payment of future expenditures.

Maintenance- building	\$ 25,579
Prepaid Expenditures	9,929
Utility assistance	235
	<u>\$ 35,743</u>

EVANGELINE COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 13 INTERFUND TRANSFERS

Interfund transfers to and from are listed by fund for the fiscal year as follows:

	Transferred to				
	General Fund	Title III B	Title III C-2	Title III-D	Title III-E
<u>Transfer from</u>					
General Fund	\$ -	\$ 7,650	\$ 101,916	\$ 259	\$ 15,229
PCOA	-	-	37,500	-	-
Total General Fund	-	7,650	139,416	259	15,229
Special Revenue Funds:					
Non-Major Funds:					
Title III C-1	1,248	-	5,872	-	-
Senior Center	-	-	7,520	-	-
Supplemental Senior Center	-	-	-	-	-
Total Special Revenue Funds	1,248	-	13,392	-	-
Total all funds	\$ 1,248	\$ 7,650	\$ 152,808	\$ 259	\$ 15,229
	Funds Transferred To				
	Senior Center	Transp. Pool	Totals		
<u>Transfer from</u>					
General Fund	\$ -	\$ 67,124	\$ 192,178		
PCOA	-	-	37,500		
Total General Fund	-	67,124	229,678		
Special Revenue Funds:					
Non-Major Funds:					
Title III C-1	-	-	7,120		
Senior Center	-	-	7,520		
Supplemental Senior Center	2,605	-	2,605		
Total Special Revenue Funds	2,605	-	17,245		
Total all funds	\$ 2,605	\$ 67,124	\$ 246,923		

EVANGELINE COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 13 INTERFUND TRANSFERS (CONTINUED)

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and to (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

The transfers were eliminated as part of the consolidation process in preparing the Government Wide Financial Statements.

NOTE 14 JUDGMENTS, CLAIMS, AND SIMILAR CONTINGENCIES

There is no litigation pending against the Council as of year-end. The Council's management believes that any potential lawsuits would be adequately covered by insurance or resolved without any material impact upon the Council's financial statements.

NOTE 15 CHANGES IN LONG-TERM DEBT

The Council had long-term debt relating to compensated absences and a note payable during the year ended June 30, 2007. The following is a schedule of the changes in long-term debt for the accrued compensated absences as well as the note payable:

	<u>Balance</u> July 1, 2008	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> June 30, 2009
Accrued annual leave	\$ 7,935	\$ 3,925	\$ -	\$ 11,860
Note payable	<u>194,808</u>	<u>-</u>	<u>8,105</u>	<u>186,703</u>
Total long-term debt	<u>\$ 202,743</u>	<u>\$ 3,925</u>	<u>\$ 8,105</u>	<u>\$ 198,563</u>
				<u>Unpaid Principal</u>
Due to the USDA Rural Development in the original amount of \$270,000, payable in 360 monthly installments of \$1,472, including interest of 5% per annum, secured by the administrative building and equipment.				\$ 186,703
Accrued annual leave is expected to be paid during the fiscal year-end June 30, 2010.				<u>11,860</u>
				<u>\$ 198,563</u>

EVANGELINE COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 15 CHANGES IN LONG-TERM DEBT (CONTINUED)

The annual requirements to amortize all debt outstanding at June 30, 2009, including interest payments of \$79,474 are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2010	8,521	9,143
2011-2015	49,608	38,712
2016-2020	63,664	24,656
2021-2025	64,910	6,963
	<u>\$ 186,703</u>	<u>\$ 79,474</u>

NOTE 16 RELATED PARTY TRANSACTIONS

There were no significant related party transactions during the year.

NOTE 17 CONTINGENCIES-GRANT PROGRAMS

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

NOTE 18 RISK MANAGEMENT

The Council is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; and natural disasters. The Council has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. There have been no significant reductions in coverage from the prior year. No settlements were made during the current or prior three fiscal years that exceeded the Council's insurance coverage. The Council's management has not purchased commercial insurance or made provision to cover or reduce the risk of loss, as a result of business interruption and certain acts of God, like floods or earthquakes.

EVANGELINE COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 19 ECONOMIC DEPENDENCY

The Council receives the majority of its revenue through grants administered by the Louisiana Governor's Office of Elderly Affairs (GOEA), Louisiana Department of Transportation and Development (DOTD), Cajun Area Agency on Aging, Inc., and Louisiana Department of Health and Hospitals. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of funds the Council receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Council will receive in the next fiscal year.

SUPPLEMENTARY INFORMATION REQUIRED BY GASB STATEMENT 34

EVANGELINE COUNCIL ON AGING, INC.

Budgetary Comparison Schedule
 General Fund
 Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary fund balance, July 1	\$ 332,092	\$ 332,092	\$ 332,092	\$ -
Resources (inflows):				
Grant revenue	340,015	340,015	338,798	(1,217)
Local and miscellaneous	233,050	233,050	248,286	15,236
Interest received	7,358	7,358	4,548	(2,810)
Transfers in	-	-	1,248	1,248
Amounts available for appropriation	<u>912,515</u>	<u>912,515</u>	<u>924,972</u>	<u>12,457</u>
Charges to appropriations (outflows):				
Personnel	243,552	243,552	250,881	(7,329)
Fringe	20,207	20,207	21,203	(996)
Travel	6,528	6,528	6,847	(319)
Operating services	62,002	62,002	68,437	(6,435)
Operating supplies	4,373	4,373	4,890	(517)
Other costs	55,689	55,689	55,907	(218)
Debt service	17,664	17,664	17,664	-
Capital outlay	5,529	5,529	4,755	774
Transfers out	<u>208,982</u>	<u>208,982</u>	<u>229,678</u>	<u>(20,696)</u>
Total charges to appropriations	<u>624,526</u>	<u>624,526</u>	<u>660,262</u>	<u>(35,736)</u>
Budgetary fund balance, June 30	<u>\$ 287,989</u>	<u>\$ 287,989</u>	<u>\$ 264,710</u>	<u>\$ (23,279)</u>

EVANGELINE COUNCIL ON AGING, INC.

Budgetary Comparison Schedule
 Title III C-2 Fund
 Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary fund balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (inflows):				
Intergovernmental	30,922	30,922	30,922	-
Program	46,246	46,794	40,729	(6,065)
Transfers in	<u>122,922</u>	<u>141,932</u>	<u>159,106</u>	<u>17,174</u>
Amounts available for appropriation	<u>200,090</u>	<u>219,648</u>	<u>230,757</u>	<u>11,109</u>
Charges to appropriations (outflows):				
Personnel and fringe	129,862	136,469	147,151	(10,682)
Travel	32,917	44,812	46,311	(1,499)
Operating services	30,422	33,301	32,525	776
Operating supplies	6,042	4,509	4,560	(51)
Other costs	<u>847</u>	<u>557</u>	<u>210</u>	<u>347</u>
Total charges to appropriations	<u>200,090</u>	<u>219,648</u>	<u>230,757</u>	<u>(11,109)</u>
Budgetary fund balance, June 30	\$ -	\$ -	\$ -	\$ -

EVANGELINE COUNCIL ON AGING, INC.

Budgetary Comparison Schedule
 Transportation Allocation Pool Fund
 Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary fund balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (inflows):				
Intergovernmental	310,123	333,366	283,740	(49,626)
Program	3,431	4,213	4,174	(39)
Local and miscellaneous	7,777	4,438	4,760	322
Transfers in	<u>41,511</u>	<u>8,459</u>	<u>67,124</u>	<u>58,665</u>
Amounts available for appropriation	<u>362,842</u>	<u>350,476</u>	<u>359,798</u>	<u>9,322</u>
Charges to appropriations (outflows):				
Salaries	125,495	133,975	137,239	(3,264)
Fringe	10,479	10,026	11,350	(1,324)
Travel	3,107	3,381	3,124	257
Operating services	178,783	164,393	167,570	(3,177)
Operating supplies	43,442	37,587	39,742	(2,155)
Other costs	1,536	1,114	773	341
Capital outlay	-	-	-	-
Total charges to appropriations	<u>362,842</u>	<u>350,476</u>	<u>359,798</u>	<u>(9,322)</u>
Budgetary fund balance (deficit), June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SUPPLEMENTARY FINANCIAL INFORMATION REQUIRED BY GOEA

EVANGELINE COUNCIL ON AGING, INC.

Schedule of Non-Major Special Revenue and Debt Service Funds
Year Ended June 30, 2009

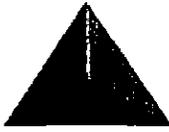
	Title III B	Title III C-1	Title III D	Title III E	Senior Center
REVENUES					
Intergovernmental:					
Governor's Office of Elderly Affairs	\$ -	\$ -	\$ -	\$ -	\$ 39,209
Cajun Area Agency on Aging	79,115	27,936	3,969	28,329	-
Program Service Fees:					
Transportation	4,696	-	-	-	-
Homemaker	1,618	-	-	-	-
Congregate meals	-	5,873	-	-	-
Personal care	-	-	-	961	-
Local and miscellaneous:					
Cleco	-	-	-	-	-
Other	-	2,636	-	3,632	2,851
Total Revenues	<u>85,429</u>	<u>36,445</u>	<u>3,969</u>	<u>32,922</u>	<u>42,060</u>
EXPENDITURES					
Current:					
Personnel	63,323	17,018	2,063	34,275	25,988
Fringe	5,246	1,427	169	2,894	2,165
Travel	3,167	2,913	12	3,138	353
Operating Services	18,704	4,098	1,935	7,252	7,616
Operating Supplies	2,534	3,791	46	559	1,003
Other Costs	105	78	3	33	20
Utility Assistance	-	-	-	-	-
Total Expenditures	<u>93,079</u>	<u>29,325</u>	<u>4,228</u>	<u>48,151</u>	<u>37,145</u>
Excess (deficiency) of revenues over expenditures	<u>(7,650)</u>	<u>7,120</u>	<u>(259)</u>	<u>(15,229)</u>	<u>4,915</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	7,650	-	259	15,229	2,605
Transfers out	-	(7,120)	-	-	(7,520)
Total other financing sources and uses	<u>7,650</u>	<u>(7,120)</u>	<u>259</u>	<u>15,229</u>	<u>(4,915)</u>
Net Increase (Decrease) in fund balances	-	-	-	-	-
FUND BALANCES					
Beginning of the year	-	-	-	-	-
End of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>Supplemental Senior Center</u>	<u>Energy</u>	<u>Total</u>
\$ 2,605	\$ -	41,814
-	-	139,349
-	-	4,696
-	-	1,618
-	-	5,873
-	-	961
-	4,113	4,113
-	-	9,119
<u>2,605</u>	<u>4,113</u>	<u>207,543</u>
-	-	142,667
-	-	11,901
-	-	9,583
-	-	39,605
-	-	7,933
-	-	239
-	4,427	4,427
-	4,427	216,355
<u>2,605</u>	<u>(314)</u>	<u>(8,812)</u>
-	-	25,743
<u>(2,605)</u>	<u>-</u>	<u>(17,245)</u>
<u>(2,605)</u>	<u>-</u>	<u>8,498</u>
-	(314)	(314)
-	549	549
<u>\$ -</u>	<u>\$ 235</u>	<u>\$ 235</u>

EVANGELINE COUNCIL ON AGING, INC.

Comparative Schedule of General Fixed Assets
 And Changes In General Fixed Assets
 Year Ended June 30, 2009

	Balance July 1, 2008	Additions	Deletions	Balance June 30, 2009
General fixed assets:				
Land	\$ 32,000	\$ -	\$ -	\$ 32,000
Building	263,154	-	-	263,154
Furniture and equipment	<u>267,198</u>	<u>4,755</u>	<u>-</u>	<u>271,953</u>
Total general fixed assets	<u>\$ 562,352</u>	<u>\$ 4,755</u>	<u>\$ -</u>	<u>\$ 567,107</u>
Investment in general fixed assets:				
Property acquired with funds from -				
Title III D	10,444	-	-	10,444
Title V	18,979	-	-	18,979
General funds and local donations	70,319	4,755	-	75,074
Building	285,154	-	-	285,154
Section 5309/5310/5311	<u>177,456</u>	<u>-</u>	<u>-</u>	<u>177,456</u>
Total investment in general fixed assets	<u>\$ 562,352</u>	<u>\$ 4,755</u>	<u>\$ -</u>	<u>\$ 567,107</u>



Darnall, Sikes, Gardes Frederick.

(A Corporation of Certified Public Accountants)

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

The Board of Directors
Evangeline Council on Aging, Inc.
Ville Platte, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Evangeline Council on Aging, Inc., as of and for the year ended June 30, 2009, which collectively comprise the Evangeline Council on Aging, Inc.'s basic financial statements and have issued our report thereon dated November 13, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Evangeline Council on Aging, Inc.'s ability to initiate

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Eugene H. Darnall, III, CPA
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authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Evangeline Council on Aging, Inc.'s financial statements that is more than inconsequential will not be prevented or detected by the Evangeline Council on Aging, Inc.'s internal control.

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

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

Compliance and Other Matters

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

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

Dannall, Sikes, Gardes & Frederick

A Corporation of Certified Public Accountants

Lafayette, Louisiana
November 13, 2009

EVANGELINE COUNCIL ON AGING, INC.

Schedule of Findings and Questioned Costs
Year Ended June 30, 2009

Part I Summary of Auditor's Results

FINANCIAL STATEMENTS

Auditor's Report

An unqualified opinion has been issued on the Evangeline Council on Aging, Inc.'s financial statements as of and for the year ended June 30, 2009.

Significant Deficiencies and Material Weaknesses - Financial Reporting

There were no instances of significant deficiencies in internal control over financial reporting noted during the audit of the financial statements.

Material Noncompliance - Financial Reporting

There were no instances of material noncompliance noted during the audit of the financial statements.

FEDERAL AWARDS

This section is not applicable for the fiscal year ended June 30, 2009.

Part II: Findings Relating to an Audit in Accordance with *Government Auditing Standards*

This section is not applicable for the fiscal year ended June 30, 2009.

Part III Findings and Questioned Costs Relating to the Federal Programs

This section is not applicable for the fiscal year ended June 30, 2009.

Part IV Management Letter

A management letter was not issued by the auditor for the fiscal year ended June 30, 2009.

EVANGELINE COUNCIL ON AGING, INC.

Summary Schedule of Prior Audit Findings
Year Ended June 30, 2009

08-1 Finding: Budget Variance

Status: This finding in resolved.

08-2 Finding: Inadequate data backup methods

Status: This finding is resolved.

EVANGELINE COUNCIL ON AGING, INC.

Management's Corrective Action Plan
Year Ended June 30, 2009

This section is not applicable for the fiscal year ended June 30, 2009.