RAPIDES COUNCIL ON AGING, INC.
Alexandria, Louisiana

FINANCIAL STATEMENTS
AND
AUDITORS' REPORTS

June 30, 2001

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 2/13/02

RAPIDES COUNCIL ON AGING, INC.
ALEXANDRIA, LOUISIANA

FINANCIAL STATEMENTS AND AUDITORS' REPORTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

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RAPIDES COUNCIL ON AGING, INC.
ALEXANDRIA, LOUISIANA

FINANCIAL STATEMENTS AND AUDITORS' REPORTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

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SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

DAUZAT, BEALL & DEBEVEC, CPAs

A PROFESSIONAL CORPORATION

INDEPENDENT AUDITORS' REPORT

Board of Directors
Rapides Council on Aging, Inc.
Alexandria, Louisiana

We have audited the accompanying general purpose financial statements of Rapides Council on Aging, Inc., (a non-profit, quasi-public organization) as of and for the year ended June 30, 2001. These general purpose financial statements are the responsibility of the **Council's** management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to the 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Rapides Council on Aging, Inc., as of June 30, 2001, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2001, on our consideration of the Council's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, and contracts.

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Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The additional information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the Rapides Council on Aging, Inc. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

Dauzat Ball & Dabadie

Certified Public Accountants
November 20, 2001

EXHIBIT A

RAPIDES COUNCIL ON AGING, INC.
Alexandria, Louisiana

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
June 30, 2001
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2001

	Governmental Fund Types		Account Group		Totals (Memorandum Only)	
	General	Special Revenue	General Fixed Assets	General Long-Term Debt	2001	2000
ASSETS						
Cash	$ 151,887	$ 100			151,987	$ 137,236
Accounts receivable						
Centa Area Agency on Aging, Inc.		20,903			20,903	17,930
Other	12,961				12,961	13,107
Due from General Fund		57,358			57,358	57,593
Due from Speccial Rev Fund						
Investments		28,000			28,000	28,000
Prepaid expenses	9,612				9,612	9,612
Other current assets	1,618				1,618	817
General fixed assets			$ 524,795		524,795	527,352
OTHER DEBITS						
Amount to be provided for retirement of long term debt				135,950	135,950	149,703
Total Assets	$ 176,078	$ 106,361	$ 524,795	135,950	943,184	$ 941,350
LIABILITIES, FUND EQUITY AND OTHER CREDITS						
LIABILITIES:						
Accounts payable		$ 3,226			$ 3,226	$ 2,849
Accrued salaries payable	21,527				21,527	21,527
Due to special rev. fund	57,358				57,358	57,593
Due to general fund						
Other current liabilitites						960
Compensated absences payable				$ 39,243	39,243	39,243
Notes payable				96,707	96,707	110,460
Total Liabilities	78,885	3,226	-0-	135,950	218,061	232,632
FUND EQUITY AND OTHER CREDITS:						
Investment in General Fixed Assets			$ 524,795		524,795	527,352
Fund balances						
Reserved for Utility Assistance		821			821	750
Unreserved - Undesignated	$ 97,193	102,314			199,507	180,616
Total Fund Equity and Other Credits	97,193	103,135	524,795	-0-	725,123	708,718
Total Liabilities, Fund Equity and Other Credits	$ 176,078	$ 106,361	$ 524,795	135,950	943,184	$ 941,350

The accompanying notes are an integral part of this statement.

EXHIBIT B

RAPIDES COUNCIL ON AGING, INC.
Alexandria, Louisiana

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
For the Year Ended June 30, 2001
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2000

	General	Special Revenue	Totals (Memorandum Only) 2001	Totals (Memorandum Only) 2000
Revenues				
Intergovernmental				
Cenla Area Agency on Aging, Inc.		$ 231,172	$ 231,172	$ 223,603
Office of Family Support				17,308
Office of Elderly Affairs	$ 34,893	13,708	48,601	49,370
La Council on Aging, Inc.		3,261	3,261	3,426
Rapides Parish Policy Jury	226,500		226,500	226,500
Federal Energy Management Agency		9,909	9,909	8,324
Corporation for National Service		49,110	49,110	46,162
Rapides Foundation				13,300
Public support		36,334	36,334	34,815
Rental income	2,200		2,200	2,400
Interest income	7,151		7,151	11,034
Other income	13,079	3,152	16,231	20,325
Total revenues	283,823	346,646	630,469	656,567
Expenditures				
Current:				
Salaries	22,476	278,565	301,041	313,129
Fringe	1,711	21,202	22,913	26,498
Travel	106	58,049	58,155	46,434
Operating services	72,341	79,876	152,217	187,439
Operating supplies	8,439	15,971	24,410	24,338
Other costs		23,663	23,663	
Capital outlay	4,273	2,221	6,494	24,543
Debt service:				
Principal	13,753		13,753	23,556
Interest	8,861		8,861	10,097
Total expenditures	131,960	479,547	611,507	656,034
Excess (deficiency) of revenues over expenditures	151,863	(132,901)	18,962	533
Other financing sources (uses)				
Operating transfers in	59,959	170,056	230,015	258,396
Operating transfers out	(194,721)	(35,294)	(230,015)	(13,300)
Sale of Assets				19,300
Total other financing sources (uses)	(134,762)	134,762	-0-	19,300
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	17,101	1,861	18,962	19,833
Fund balance, beginning	80,092	101,274	181,366	161,533
Fund balance, ending	$ 97,193	$ 103,135	$ 200,328	$ 181,366

The accompanying notes are an integral part of this statement.

EXHIBIT C

RAPIDES COUNCIL ON AGING, INC.
Alexandria, Louisiana

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
For the Year Ended June 30, 2001

	Budget	Actual	Variance-Favorable (Unfavorable)
REVENUES			
Cenla Area Agency on Aging, Inc.			
Office of Family Support			
Office of Elderly Affairs	$ 34,893	$ 34,893	$ -0-
LA Council on Aging, Inc.			
Rapides Parish Policy Jury	226,500	226,500	-0-
Federal Energy Management Agency			
Corporation for National Service			
Rental income	2,400	2,200	(200)
Interest income	2,200	7,151	4,951
Other incom	2,400	13,079	10,679
Total revenues	268,393	283,823	15,430
EXPENDITURES			
Current:			
Salaries	6,982	22,476	(15,494)
Fringe	744	1,711	(967)
Travel	323	106	217
Operating services	27,955	72,341	(44,386)
Operating supplies	6,044	8,439	(2,395)
Capital outlay		4,273	(4,273)
Debt service:			
Principal	13,753	13,753	-0-
Interest	8,861	8,861	-0-
Total expenditures	64,662	131,960	(67,298)
Excess (deficiency) of revenues over expenditures	203,731	151,863	(51,868)
OTHER FINANCING SOURCES (USES)			
Operating transfers in	59,959	59,959	-0-
Operating transfers out	(188,642)	(194,721)	(6,079)
Total other financing sources (uses)	(128,683)	(134,762)	(6,079)
Excess (deficiency) of revenues and other sources over expenditures *and other uses*	75,048	17,101	(57,947)
Fund balance, beginning	80,092	80,092	-0-
Fund balance, ending	$ 155,140	$ 97,193	$ (57,947)

The accompanying notes are an integral part of this statement.

EXHIBIT D

RAPIDES COUNCIL ON AGING, INC.
Alexandria, Louisiana

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL REVENUE FUND
For the Year Ended June 30, 2001

	Budget	Actual	Variance-Favorable (Unfavorable)
REVENUES			
Cenla Area Agency on Aging, Inc.	$ 230,278	$ 231,172	$ 894
Office of Elderly Affairs	15,537	13,708	(1,829)
LA Council on Aging, Inc.	2,400	3,261	861
Federal Energy Management Agency	7,494	9,909	2,415
Corporation for National Service	48,010	49,110	1,100
Public support	25,100	36,334	11,234
Other income	11,500	3,152	(8,348)
Total revenues	340,319	346,646	6,327
EXPENDITURES			
Current:			
Salaries	291,298	278,565	12,733
Fringe	30,675	21,202	9,473
Travel	50,377	58,049	(7,672)
Operating services	96,810	79,876	16,934
Operating supplies	14,380	15,971	(1,591)
Other Costs		23,663	(23,663)
Capital outlay		2,221	(2,221)
Total expenditures	483,540	479,547	3,993
Excess (deficiency) of revenues over expenditures	(143,221)	(132,901)	10,320
OTHER FINANCING SOURCES (USES)			
Operating transfers in	159,816	170,056	10,240
Operating transfers out	(14,194)	(35,294)	(21,100)
Total other financing sources (uses)	145,622	134,762	(10,860)
Excess (deficiency) of revenues and other sources over expenditures and other uses	2,401	1,861	(540)
Fund balance, beginning	101,274	101,274	-0-
Fund balance, ending	$ 103,675	$ 103,135	$ (540)

The accompanying notes are an integral part of this statement.

RAPIDES COUNCIL ON AGING, INC.
Alexandria, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 2001

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity:

In 1964, the State of Louisiana passed Act 456 which authorized the charter of voluntary councils on aging for the welfare of the aging people in their respective parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. The Rapides Council on Aging, Inc. is a non-profit corporation which must comply with the policies and regulations established by the Governor's Office of Elderly Affairs. The **Council** also receives revenues from other federal, state, and local government agencies which may impose certain restrictions on how the **Council** can use the money provided.

The **Council** is not a component unit of another primary government nor does it have any component units which are related to it. Therefore, the **Council** has presented its financial statements as a separate special-purpose government.

The primary function of Rapides Council on Aging, Inc. is to improve the quality of life for the parish's elderly and to provide services to the elderly of the Parish. A Board of Directors, consisting of voluntary members who serve three-year terms, governs the **Council**.

B. Presentation of Statements:

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. In November of 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments.

B. Presentation of Statements: (continued)

The accompanying financial statements conform to generally accepted accounting principles for state and local governments. These statements have incorporated any applicable requirements set forth by Audits of State and Local Governmental Units, the industry audit guide issued by the American Institute of Certified Public Accountants; Subsection VI - Annual Financial Reporting, accounting manual for Governor's Office of Elderly Affairs contractors; and, the Louisiana Governmental Audit Guide.

C. Fund Accounting:

The accounts of the **Council** are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report into two generic fund types and one broad fund category (account group).

Governmental Fund Types

Governmental funds are used to account for all or most of the **Council's** general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition of fixed assets, and the servicing of general long-term debt.

The governmental funds and the programs comprising them as presented in the financial statements are described as follows:

C. Fund Accounting: (Continued)

General Fund

The General Fund is the general operating fund of the **Council**. It is used to account for all financial resources except those required to be accounted for in another fund. These discretionary funds are accounted for and reported according to the source (federal, state, or local) from which they are derived. In addition, the servicing of general long-term debt is accounted for in the General Fund because unrestricted resources are used to pay for the liabilities incurred by this fund and there are no legal mandates to use a debt service fund.

The following programs comprise the **Council's** General Fund:

Other Local

Revenues, such as, (1) donations from the general public, (2) income from various fund raisers, and (3) interest income earned on idle funds which have been invested, have been recorded in the "other local" program of the General fund. Expenses incurred which are not chargeable to specific programs are recorded at "other local" program expenditures. Also, expenses incurred to produce related program service fees and fund raising income are charged to "other local" program expenditures. "Other local" funds are also used as transfers to special revenue funds to supplement those programs. In addition, fixed asset additions are generally paid with "other local" funds.

PCOA (Act 735)

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

C. Fund Accounting: (Continued)

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments and major capital projects) that are legally restricted to expenditures for specified purposes. Most of the **Council's** special revenue funds are provided by GOEA. The Title III funds are provided by the United States Department of Health and Human Services - Administration on Aging through the Governor's Office of Elderly Affairs to Cenla Area Agency on Aging, Inc. who funds the **Council** on a predetermined unit cost reimbursement basis up to the contract amount.

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

Title III-B Supportive Services Fund

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

Title III C-2 Home Delivered Meals Fund

Title III C-2 Fund is used to account for funds which are used to provide nutritional, home delivered meals to homebound older persons. During the fiscal year July 1, 2000 to June 30, 2001, the **Council** served about 99,968 home delivered meals.

C. Fund Accounting: (Continued)

Special Revenue Fund (continued)

Title III-F Fund

The Title III-F Fund is used to account for funds used for disease prevention and health promotion activities or services, such as; (1) equipment and materials (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."

Utility Assistance Fund

The Utility Assistance Fund is used to account for the administration of programs that are sponsored by local utility companies. The companies collect contributions from service customers and employees and remit the funds directly to the **Council** or the Louisiana Association of Councils on Aging (LACOA), which in turn remits funds relating to Rapides Parish to the **Council**. These funds are used to provide financial assistance to the elderly for the payment of their utility bills.

C. Fund Accounting: (Continued)

Special Revenue Fund (continued)

Account Groups

An account group is a financial reporting device designated to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The following account group is not a "fund".

General Fixed Assets

The fixed assets (capital outlays) used in governmental fund type operations of Rapides Council on Aging, Inc. are accounted for (capitalized) in the General Fixed Assets Account Group and are recorded as expenditures in the governmental fund types when purchased.

General Long-Term Debt

General obligations of the **Council** are recorded in the General Long-Term Debt Account Group. The general obligations at June 30, 2001, consisted of compensated absences and a note payable to Trinity United Methodist Church for the building purchased on Chester Street.

D. Basis of Accounting:

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

D. Basis of Accounting: (continued)

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

E. Transfers:

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

F. Budget Policy:

The **Council** follows these procedures in establishing the budgetary data reflected in these financial statements.

- The Cenla Area Agency on Aging, Inc. notifies the **Council** each year as to the funding levels for each program's grant award.
- The **Council** may also obtain grants from agencies other than GOEA and the **Council** considers the potential revenues to be earned under those grants.
- Projections are made of revenues from other sources based on past trends and data available to form expectations of future revenues.
- The Executive Director prepares a proposed budget based on the funding levels provided by Cenla Area Agency on Aging, Inc. and then submits the budget to the Board of Directors for approval before May 31 of the current year for the next year.
- The adopted budget is forwarded to the Cenla Area Agency on Aging, Inc. for final approval.

F. Budget Policy: (continued)

- All budgetary appropriations lapse at the end of each fiscal year (June 30). Occasionally, the **Council** will receive a special project grant which may operate on a period different from the **Council's** normal fiscal year, and therefore, have a specified date where the budgetary appropriations will lapse.

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

- Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.

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

- The **Council** may transfer funds between line items as often as required but must obtain prior approval from the Cenla Area Agency on Aging, Inc. for funds received under grants from GOEA.

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

G. Total Columns of Combined Statements:

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to help with financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

H. Fixed Assets:

The accounting and reporting treatment applied to the fixed assets associated with a fund are determined by its measurement focus.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed asset account group, and are recorded as expenditures in the governmental fund types when purchased. No depreciation has been provided on general fixed assets.

All fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair market value on the date of donation.

I. Comparative Data:

Comparative data for the prior year is presented in the accompanying financial statements to provide an understanding of changes in the **Council's** financial position and operations. However, presentation of comparative data by fund type is not presented in each of the statements since its inclusion would make the statements unduly complex and difficult to read.

J. Restricted Assets:

Restricted assets represent assets which are primarily acquired through donations whereby the donor places restrictions on how the donation can be used by the **Council** (i.e., utility assistance funds). Restricted assets are offset by reservations of fund balances.

NOTE 2 REVENUE RECOGNITIONS - INTERGOVERNMENTAL GRANTS, PUBLIC SUPPORT, AND MISCELLANEOUS REVENUES

Intergovernmental revenues are recorded in governmental funds as revenues in the accounting period that they become susceptible to accrual, that is, measurable and available (modified accrual basis). Contracts do not allow the **Council** to recognize revenue until units of services are provided.

NOTE 2 REVENUE RECOGNITIONS - INTERGOVERNMENTAL GRANTS, PUBLIC SUPPORT, AND MISCELLANEOUS REVENUES (Continued)

Act 735 funds are received as monthly allocations of the total grant in advance of the actual expenditures.

Public Support and Miscellaneous Revenues

The **Council** encourages and receives contributions from clients to help offset the costs of the various programs. In addition, various fund raisers are held during the year to obtain funds to offset costs of general operations and senior center activities. 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 3 INCOME TAX STATUS

The **Council**, a non-profit corporation, is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code of 1986 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 4 FUND BALANCE - RESERVED

Fund balance - reserved - special revenue fund consists of amounts to be specifically used for utility assistance.

RAPIDES COUNCIL ON AGING, INC.
Alexandria, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 2001

NOTE 5 CONTRACTS RECEIVABLE

Contracts receivable at June 30, 2001, consisted of reimbursements for expenses incurred under the following programs:

Program	Fund	Funding Agency	Amount
Title III-B	Special Revenue	Cenla AAA	12,562
Title III C-2	Special Revenue	Cenla AAA	7,394
RSVP	Special Revenue	Cenla AAA	327
Title III F	Special Revenue	Cenla AAA	620
Total			$ 20,903

NOTE 6 CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance 6/30/00	Additions	Deletions	Balance 6/30/01
Furniture & equipment	80,872	$ 6,494		$ 87,366
Building	190,621			190,621
Vehicles	241,390	50,120	(59,171)	232,339
Computer software	4,874			4,874
Leasehold improvements	9,595			9,595
Total	$ 527,352	$ 56,614	$ (59,171)	$ 524,795

NOTE 7 GENERAL LONG-TERM DEBT

Long-term debt as of June 30, 2001, consists of the following:

Note payable to Trinity Methodist Church in monthly installments of $1,885, including principal and interest at 8.5% per annum, due in full on October 6, 2006, secured by the land and all improvements.	$ 96,707
Less current portion	(14,970)
Long-term debt	$ 81,737

The annual requirements to meet all long-term commitments as of June 30, 2001, are as follows:

Year ending June 30,	Long-term debt
2002	$ 14,970
2003	16,292
2004	17,732
2005	19,300
2006	21,006
2007	7,407
	$ 68,294

NOTE 7 GENERAL LONG-TERM DEBT(Continued)

During the year ended June 30, 2001, the following changes occurred in long-term debt.

	Balance 6/30/00	Additions	Reductions	Balance 6/30/01
Trinity United Methodist Church	110,460		13,753	96,707
Compensated absences	39,243	$		39,243
Total	$ 149,703	$ -0-	$ 13,753	$ 137,950

NOTE 8 COMPENSATED ABSENCES

Annual leave is earned by employees and may be carried over into the next year at a rate of no more than one 30 days accumulation. Annual leave vests upon termination with six months of service. Sick leave vests upon termination with six months of service not to exceed 240 hours. These amounts have been included in the financial statements.

NOTE 9 CASH IN BANK

The **Council** maintains a consolidated bank account to deposit the money it collects and to pay its bills. The consolidated bank account is available for use by all funds. 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 balances to cover any negative cash balances in other funds at year end. At June 30, 2001, the balance of the **Council's** consolidated bank account was $151,787. The related bank balance (collected deposits) at that date was $154,976. The **Council** also maintains a savings account. At June 30, 2001, the balance of the savings account was $28,000. The related bank balance (collected deposits) at that date was $28,000. All of the deposits were covered by federal depository insurance or collateralized with securities held by the Federal Reserve Bank in Atlanta in the Council's name. LA Revised Statute 39:1229 imposes a statutory 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.

NOTE 10 JUDGEMENTS, CLAIMS AND SIMILAR CONTINGENCIES

There is no litigation pending against the **Council** at June 30, 2001. Furthermore, **Council's** management believes that any potential litigation would be adequately covered by insurance.

NOTE 11 FEDERAL AWARD PROGRAMS

The **Council** receives revenues from various federal and state grant programs which are subject to final review and approval as to allow ability of expenditures by the respective grantor agencies. Any settlements or expenses arising out of a final review are recognized in the period agreed upon by the agency and the **Council**. Also, it is management's opinion that any audits by the grantor agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect the **Council's** financial position.

NOTE 12 ECONOMIC DEPENDENCY

The **Council** receives the majority of its revenue from contracts with Cenla Area Agency on Aging, Inc. If significant budget cuts are made at the federal and/or state level, the amount of funds contracted by Cenla Area Agency on Aging, Inc. could be reduced significantly and have an adverse impact on the **Council's** 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.

NOTE 13 RELATED PARTY

There were not any related party transactions during the fiscal year.

NOTE 14 RISK MANAGEMENT

The **Council** is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; 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. No settlements were made during the year that exceeded the **Council's** insurance coverage.

NOTE 15 INTERFUND TRANSFERS

Operating transfers in and out are listed by fund for 2001:

Funds Transferred Out

Funds Transferred In	Title III B	Title III C	Title III F	General Fund	FEMA	RSVP	Total In/Out
Title III B-Supportive Services				$ 58,950			$ 58,950
Title III C-2	$ 8,808		$ 6,700	58,986	$ 7,494		73,180
General Fund		6,319	36	40,248		4,548	59,959
Title V				13,181			13,181
RSVP				24,744			24,744
Total Out	$ 8,808	6,319	$ 6,736	$ 196,109	$ 7,494	$ 4,548	$ 230,015

NOTE 16 HOUSING DEVELOPMENT

In October 1995, the Rapides Council on Aging, Inc. and the National Council of Senior Citizens, Inc. jointly formed a non-profit corporation, the Rapides Housing Development Corporation, under Section 501 (c) (3) of the Internal Revenue Code to co-sponsor an application with the U.S. Dept. of Housing and Urban Development to develop and manage an elderly housing complex. The management of the Rapides Housing Development Corporation is limited to individuals who are either members of the Rapides Council on Aging, Inc. or the National Council of Senior Citizens, Inc. Three board members are nominated by the Rapides Council on Aging, Inc. and four by the National Council of Senior Citizens, Inc.

No part of the net earnings of the Rapides Housing Development Corporation, Inc. shall inure to the benefit of either co-sponsor nor is either co-sponsor liable for the obligations of Rapides Housing Development Corporation, Inc. During the fiscal year ended June 30, 1998, the Rapides Council on Aging, Inc. advanced $6,000 to the Rapides Housing Development Corporation for extra funds that were needed to purchase the property for the development. The Council expects these funds to be repaid at the completion of the project.

ADDITIONAL INFORMATION

RAPIDES COUNCIL ON AGING, INC.
Alexandria, Louisiana

COMBINING SCHEDULE OF PROGRAM REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GENERAL FUND
For the Year Ended June 30, 2001

	PCOA Act 735	Local	Hip For Gray	Totals
Revenues				
Intergovernmental				
Cenla Area Agency on Aging, Inc.	$ 34,893			34,893
Rapides Parish Policy Jury		$ 226,500		226,500
Rental income		2,200		2,200
Interest income		5,651	1,500	7,151
Other income		13,079		13,079
Total revenues	34,893	247,430	1,500	283,823
Expenditures				
Current:				
Salaries		22,476		22,476
Fringe		1,711		1,711
Travel		106		106
Operating services		67,574	4,767	72,341
Operating supplies		8,439		8,439
Capital outlay		4,273		4,273
Debt service:				
Principal		13,753		13,753
Interest		8,861		8,861
Total expenditures	-0-	127,193	4,767	131,960
Excess (deficiency) of revenues over expenditures	34,893	120,237	(3,267)	151,863
Other financing sources (uses)				
Proceeds from debt				
Operating transfers in		59,959		59,959
Operating transfers out	(34,893)	(159,828)		(194,721)
Total other financing sources (uses)	(34,893)	(99,869)	-0-	(134,762)
Excess (deficiency) of revenues and other sources over expenditures and other uses	-0-	20,368	(3,267)	17,101
Fund balance, beginning	40,966	49,889	(10,763)	80,092
Fund balance, ending	$ 40,966	$ 70,257	$ (14,030)	$ 97,193

The accompanying notes are an integral part of this statement.

RAPIDES COUNCIL ON AGING, INC.
Alexandria, Louisiana

COMBINING SCHEDULE OF PROGRAM REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2001

	Utility Assistance	Title III-F	Title III-B Support Services	Retired Senior Volunteer Program	FEMA	Title III C-2 Home Delivered Meals	Title V	OFS Work Find Program	Totals
Revenues									
Cenla Area Agency on Aging, Inc.		$ 7,506	$ 143,338			$ 80,328			$ 231,172
Office of Elderly Affairs				$ 13,708					13,708
LA Council on Aging, Inc.	$ 3,261								3,261
Federal Energy Management Agency					$ 9,909				9,909
Corporation for National Service				49,110					49,110
Public support			2,098	13,836		20,400			36,334
Other income				1,631		1,521			3,152
Total Revenues	3,261	7,506	145,436	78,285	9,909	102,249	-0-	-0-	346,646
Expenditures									
Current:									
Salaries			131,213	53,023		94,329			278,565
Fringe			9,987	4,036		7,179			21,202
Travel			1,230	18,450		38,369			58,049
Operating services	3,190	6	37,037	8,125		18,337	$ 13,181		79,876
Operating supplies			7,220	2,719		6,032			15,971
Other costs			8,892	9,907		4,864			23,663
Capital outlay				2,221					2,221
Total expenditures	3,190	6	195,579	98,481	-0-	169,110	13,181	-0-	479,547

SCHEDULE 2 (continued)

Excess (deficiency) of revenues over expenditures	71	7,500	(50,143)	(20,196)	9,909	(66,861)	(13,181)		(132,901)
Other financing sources (uses)									
Operating transfers in			58,951	24,744		73,180	13,181		170,056
Operating transfers out		(7,500)	(8,808)	(4,548)	(8,119)	(6,319)			(35,294)
Total other financing sources (uses)	-0-	(7,500)	50,143	20,196	(8,119)	66,861	13,181	-0-	134,762
Excess (deficiency) of revenues and other sources over expenditures and other uses	71	-0-	-0-	-0-	1,790	-0-	-0-	-0-	1,861
Fund balance, beginning	750	-0-	-0-	93,355	6,741	-0-	95	333	101,274
Fund balance, ending	$ 821	$ -0-	$ -0-	93,355	$ 8,531	-0-	$ 95	$ 333	$ 103,135

The accompanying notes are an integral part of this statement.

SCHEDULE 3

RAPIDES COUNCIL ON AGING, INC.
Alexandria, Louisiana

SCHEDULE OF PROGRAM EXPENDITURES BUDGET VS. ACTUAL
For the Year Ended June 30, 2001

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
PCOA - ACT 735			
Transfers:			
Title III C-2	$ 21,727	$ 21,727	$ -0-
Title V	13,166	13,181	(15)
Totals	$ 34,893	$ 34,908	$ (15)
TITLE III-B SUPPORTIVE SERVICES			
Salaries	$ 143,040	$ 131,213	$ 11,827
Fringe	15,055	9,987	5,068
Travel	3,648	1,230	2,418
Operating services	44,600	37,037	7,563
Operating supplies	9,655	7,220	2,435
Other costs		8,892	(8,892)
Totals	$ 215,998	$ 195,579	$ 20,419
TITLE III C-2			
Salaries	$ 90,419	$ 94,329	$ (3,910)
Fringe	9,525	7,179	2,346
Travel	29,120	38,369	(9,249)
Operating services	23,060	18,337	4,723
Operating supplies	3,190	6,032	(2,842)
Other costs		4,864	(4,864)
Totals	$ 155,314	$ 169,110	$ (13,796)
FEMA			
Transfers:			
Title III C-2	$ 7,494	$ 7,494	$ -0-
Totals	$ 7,494	$ 7,494	$ -0-

RAPIDES COUNCIL ON AGING, INC.
Alexandria, Louisiana

SCHEDULE OF PROGRAM EXPENDITURES BUDGET VS. ACTUAL
For the Year Ended June 30, 2001

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
TITLE III-F			
Salaries	$ 634		$ 634
Fringe	67		67
Travel	6		6
Operating services	92	$ 6	86
Operating supplies	6		6
Operating transfers out	6,700	6,700	-0-
Totals	$ 7,505	$ 6,706	$ 799
RETIRED SENIOR VOLUNTEER PROGRAM			
Salaries	$ 57,205	$ 53,023	$ 4,182
Fringe	6,028	4,036	1,992
Travel	17,603	18,450	(847)
Operating services	29,058	8,125	20,933
Operating supplies	1,529	2,719	(1,190)
Other costs		9,907	(9,907)
Capital outlay		2,221	(2,221)
Totals	$ 111,423	$ 98,481	$ 12,942

SCHEDULE 3 (continued)

RAPIDES COUNCIL ON AGING, INC.
Alexandria, Louisiana

SCHEDULE OF PROGRAM EXPENDITURES BUDGET VS. ACTUAL
For the Year Ended June 30, 2001

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
UTILITY ASSISTANCE			
Other	$ 2,400	3,190	$ (790)
Totals	$ 2,400	3,190	$ (790)
LOCAL			
Salaries	$ 6,982	$ 22,476	$ (15,494)
Fringe	744	1,711	(967)
Travel	323	106	217
Operating Services	27,955	72,341	(44,386)
Operating Supplies	6,044	8,439	(2,395)
Capital Outlay	-0-	4,273	(4,273)
Debt service:			
Pricipal	13,753	13,753	-0-
Interest	8,861	8,861	-0-
Totals	$ 64,662	$ 131,960	$ (67,298)

The accompanying notes are an integral part of this statement.

SCHEDULE 4

RAPIDES COUNCIL ON AGING, INC.
Alexandria, Louisiana

COMPARATIVE SCHEDULE OF GENERAL FIXED ASSETS
AND CHANGES IN GENERAL FIXED ASSETS
For the Year Ended June 30, 2001

GENERAL FIXED ASSETS, AT COST	Balance June 30, 2000	Additions	Deletions	Balance June 30, 2001
Furniture & equipment	$ 80,872	$ 6,494		87,366
Building	190,621			190,621
Vehicles	241,390	50,120	(59,171)	232,339
Computer software	4,874			4,874
Leasehold improvements	9,595			9,595
Total General Fixed Assets	$ 527,352	$ 56,614	$(59,171)	$ 524,795
INVESTMENT IN GENERAL FIXED ASSETS				
Title III-B	$ 22,432			22,432
Title III-C-1	34,156			34,156
Title III-C-2	377			377
RSVP	-0-			
Act 735	9,269			9,269
Other: (Local & Donated)	461,118	56,614	(59,171)	458,561
Total Investment in General Fixed Assets	$ 527,352	$ 56,614	$ (59,171)	$ 524,795

The accompanying notes are an integral part of this statement.

OTHER REPORT REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

DAUZAT, BEALL & DEBEVEC, CPAs

A PROFESSIONAL CORPORATION

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Rapides Council on Aging, Inc.

We have audited the general purpose financial statements of Rapides Council on Aging, Inc. (a non-profit organization) as of and for the year ended June 30, 2001, and have issued our report thereon dated November 20, 2001. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the **Council's** financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 is not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no material instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Rapides Council on Aging, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses.

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We noted no matters involving the internal control over financial reporting and its operations that we consider to be material weaknesses.

This report is intended for the information of the Board of Directors, management and State of Louisiana Governor's Office of Elderly Affairs and Cenla Area Agency on Aging, Inc., and is not intended to be and should not be used by anyone other than these specified parties.

Dausat Boall & Dobrik

Certified Public Accountants
November 20, 2001

RAPIDES COUNCIL ON AGING, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2001

We have audited the financial statements of Rapides Council on Aging, Inc. as of and for the year ended June 30, 2001, and have issued our report thereon dated November 20, 2001. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 2001 resulted in an unqualified opinion.

Section 1 Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal control

Material Weaknesses ☐ Yes ☒ No Reportable Conditions ☐ Yes ☒ No

Compliance

Non Compliance Material to Financial Statements ☐ Yes ☒ No

RAPIDES COUNCIL ON AGING, INC.
SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended June 30, 2000

SECTION 1 INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

Number	
00-1	The **Council** corrected this finding by removing the accrued sick leave to be compensated from compensated absences payable and classifying the amount as accrued salaries payable.