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Wegmann-Dazet & Co.
A PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH
LAWS AND REGULATIONS BASED ON AN AUDIT OF THE COMPONENT
UNIT FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Louisiana Board of Examiners of Certified Shortland Reporters
Department of Economic Development
New Orleans, Louisiana

We have audited the financial statements of the Louisiana Board of Examiners of Certified Shortland Reporters (the Board), a component unit of the State of Louisiana, as of and for the year ended June 30, 1997, and have issued our report thereto dated August 5, 1997.

We conducted our audit in accordance with generally accepted auditing standards and 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 component unit financial statements are free of material misstatement.

Compliance with laws, regulations and contracts applicable to the Board is the responsibility of the Board's management. As part of obtaining reasonable assurance about whether the component unit financial statements are free of material misstatement, we performed tests of the Board's compliance with certain provisions of laws, regulations and contracts. However, the objectives of our audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported herein under Government Auditing Standards. There were no funds received from Federal Financial Assistance Programs for the year ended June 30, 1997.

This report is intended for the information of the Louisiana Board of Examiners of Certified Shortland Reporters, management and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Wegmann - Dazet & Co.

August 5, 1997

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level of risk that errors or irregularities in account balances that could be material in relation to the component unit financial statements being audited or may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

This report is intended solely for the information and use of the Louisiana Board of Examiners of Certified Chartered Accountants, Management and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Wegmann, Poyet & Co.

August 8, 1997

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
STRUCTURE RELATED MATTERS HOEDED IN A COMPONENT UNIT
FINANCIAL STATEMENT AUDIT CONDUCTED IN ACCORDANCE
WITH GOVERNMENT ASSISTED STANDARDS**

To the Board Members
Louisiana Board of Examiners of Certified Shorthand Reporters
Department of Economic Development
New Orleans, Louisiana

We have audited the financial statements of the Louisiana Board of Examiners of Certified Shorthand Reporters (the Board), a component unit of the State of Louisiana, as of and for the year ended June 30, 1991, and have issued our report thereon dated August 6, 1991.

We have conducted our audit in accordance with generally accepted auditing standards and 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 component unit financial statements are free of material misstatements.

The management of the Board is responsible for establishing and maintaining the Board's internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structures and procedures. The objectives of the internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are recorded in accordance with management's authorization and recorded properly to permit the preparation of component unit financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the component unit financial statements of the Board for the year ended June 30, 1991, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the component unit financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

BOARD OF EXAMINERS OF
CERTIFIED ACCOUNTING REPORTERS
DEPARTMENT OF ECONOMIC DEVELOPMENT

STATE OF MISSISSIPPI

OFFICE OF FINANCIAL STATEMENT

Year Ended June 30, 1991

4) Postretirement benefits

The Board does not provide postretirement benefits.

5) Loans

The Board has no material spending or capital loans as of June 30, 1991.

6) Compensation of board members

Louisiana Revised Statute 33:2553(B) states that all members of the Board shall serve without compensation but shall be allowed necessary expenses incurred in the performance of their duties as members of the Board. Board members' expenses are included within the category of travel and other charges.

BOARD OF MEMBERS OF
CERTIFIED SHORT-TERM REPORTERS
DEPARTMENT OF ECONOMIC DEVELOPMENT

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 1991

1) Summary of significant accounting policies followed

(a) Cash and cash equivalents (continued)

As indicated on Statement A, the Board has cash and cash equivalents (bank balances) totaling \$67,886 at June 30, 1991. Cash and cash equivalents are pledged at 100% which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the Federal deposit insurance must at all times equal the amount of cash and cash equivalents at June 30, 1991, which are fully covered by federal deposit insurance.

Cash:

Demand deposits	\$ 66,190
Cash equivalents - money market certificates	16,696
Total	<u>\$ 82,886</u>

(f) Vacation and sick leave

The Board has not adopted a formal vacation and sick leave policy. Since the Board has only one employee, leave is granted at the discretion of the Board.

(g) Total column on balance sheet

The total column on the balance sheet is captioned Statement Only (continued) to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

2) Change in general fixed assets

The change in general fixed assets are as follows:

	Balance \$3,002,706	additions	retirements	Balance \$3,700,997
Furniture and equipment	288,800	2,000	213,151	307,649

3) Pension plan

Substantially all employees of the Board of Members of Certified Short-Term Reporters are members of the Louisiana State Employees' Retirement System (LSERS), a non-sharing, multiple-employer defined pension plan administered by a separate board of trustees. LSERS provides retirement, disability, and survivor benefits to participating eligible employees. Benefits are established and awarded by state statute. Benefits are guaranteed by the State of Louisiana under provisions of the Louisiana Constitution of 1974. LSERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to Louisiana State Employees' Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-0213 or by calling (504) 383-0900.

Plan members of the Board of Members of Certified Short-Term Reporters are required by state statute to contribute 3.5% of their annual covered salary and the office (as the employer) is required to contribute at an actuarially determined rate. The current employee rate is 10.4% of annual covered payroll. The contribution requirements of plan members and the employer are established by, and may be amended by, state law. As required by state law, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation of the prior fiscal year. The employer contributions are funded by the State of Louisiana through the annual legislative appropriation. The Board's employer contributions to LSERS for the year ended June 30, 1991 was \$3,688 and was equal to the required contributions for the year.

BOARD OF EXAMINERS OF
CERTIFIED ACCOUNTING EXPERTS
DEPARTMENT OF ECONOMIC DEVELOPMENT

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 1997

3) Summary of significant accounting policies (continued)

(c) Basis of accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement basis applied. The Board's records are maintained on a cash basis of accounting. However, the General Fund, as reported in the accompanying financial statements, has been converted to a modified accrual basis of accounting using the following practices:

Revenues

Revenues, permits, and fees are recognized when they are measurable and available. Interest is recorded when incurred.

Expenditures

Expenditures are recognized under the modified accrual basis of accounting when the related fund liability is incurred.

(d) Budget practices

Annually, the Board adopts a budget that must be submitted to the Louisiana Department of Economic Development as prescribed by the Louisiana Revised Statute 50803. The budget for fiscal year 1996-1997 was adopted and submitted to the Department of Economic Development. The budget was adopted on a cash basis of accounting. The Board has the authority to amend the budget. The Board also amends budget line itemizing fund balance, and formal budget adjustments to not employed as a management control device during the year. While appropriations lapse at year end, any excess of revenues over expenditures at the end of the year may be retained for use in subsequent years.

The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Budgetary Basis - Cash) and Actual Governmental Fund - General Fund presents comparisons of the legally adopted budget (cash basis) with actual data on a budgetary basis.

A reconciliation of this basis and timing difference is presented below:

Revenues - Actual	\$ 70,336
Add: Current year deferred revenues	-
Revenues - Budgetary Basis	<u>\$ 70,336</u>
Expenditures - Actual	\$ 64,585
Add: Prior year accounts payable	3,384
Prior year accrued salaries	3,043
Less: Current year accounts payable	(551)
Current year accrued salaries	(12,562)
Expenditures - Budgetary Basis	<u>\$ 58,299</u>

(e) Cash and cash equivalents

For reporting purposes, cash and cash equivalents include demand deposits and time deposits. Under State law, the Board of Examiners of Certified Accountants Reports may deposit funds within a fiscal year bank organized under the laws of the State of Louisiana. Furthermore, the Board may invest in time participation deposits of state banks organized under the laws of Louisiana, national banks having their principal office in the State of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and other certificate accounts of federally or state chartered credit unions.

BOARD OF EXAMINERS OF
CERTIFIED ACCOUNTING REPORTERS
DEPARTMENT OF ECONOMIC DEVELOPMENT

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 1977

21 Summary of significant accounting policies

The Board of Examiners of Certified Accountant Reporters is a component unit of the State of Louisiana created within the Louisiana Department of Economic Development, as provided by Louisiana Revised Statutes 37:1503-0559. The Board is composed of nine members, appointed by the governor, who serve terms of three years. All members of the board serve without compensation, but are allowed necessary expenses incurred in the performance of their duties. The Board is charged with encouraging proficiency in the practice of accountant reporting as a profession, promoting efficiency in cost and general reporting, and according to the courts and to the public the protection afforded by a standardized profession by establishing a standard of competency for those persons engaged in it. Operations of the board are funded with fees collected by the Board.

In April of 1968, 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 June of 1977, the GASB issued a revised 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 government.

The Board of Examiners of Certified Accountant Reporters prepares its financial statements in accordance with the standard established by the GASB. GASB Codification Section 1100 establishes criteria for determining the governmental reporting entity and has defined the governmental reporting entity to be the State of Louisiana. The Board is considered a component unit of the State of Louisiana because the State exercises oversight responsibility in that the governor appoints the Board members and public service is rendered within the State's boundaries. The accompanying financial statements present only transactions of the program of the Board of Examiners of Certified Accountant Reporters, a component unit of the State of Louisiana.

Annually, the State of Louisiana issues general purpose financial statements which include the activity contained in the accompanying financial statements. The general purpose financial statements are issued by the Louisiana Division of Administration, Office of Statistial Reporting and Accounting Policy, and audited by the Louisiana Legislative Auditor.

Fund Accounting

- (A) The accounts of the Board of Examiners of Certified Accountant Reporters are organized on the basis of a fund (general fund) and an account group, each of which is considered a separate accounting entity. The operations of the General Fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. The General Fund is the general operating fund of the Board and accounts for all financial resources. Revenues are accounted for in this fund based upon the purpose for which they are to be spent and the source by which spending activities are conducted.
- (B) **General fund assets and general long-term obligations**
FUND assets are accounted for in the general fund assets account group, rather than in the General Fund. Segregation has not been provided on general fund assets. All fund assets are valued at HISTORICAL COST or ESTIMATED cost if historical cost is not available. A summary of changes in fund assets is presented in Note 2. The account group is not a fund. It is measured only with the measurement of financial position, not with measurement of results of operations. The Board has no long-term obligations at June 30, 1977.

BOARD OF EXAMINERS OF
CERTIFIED ACCOUNTING REPORTERS
DEPARTMENT OF ECONOMIC DEVELOPMENT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (BUDGETARY BASIS - CASH) AND ACTUAL
GOVERNMENTAL FUND TYPE - GENERAL FUND

Year Ended June 30, 1987

	Actual	Adjustment to Budgetary Basis	Budget on Budgetary Basis	Budget	Variance Favorable (Unfavorable)
REVENUES					
Licenses, permits and fees	\$ 90,430	\$ -	\$ 90,430	\$ 88,260	\$ 2,170
Interest earned	1,326	-	1,326	1,326	-
Total Revenues	91,756	-	91,756	89,586	2,170
EXPENDITURES					
Public safety - other protection - examination of licensed occupations:					
Personal services and related:					
Benefits	38,345	(40)	38,305	38,000	3,000
Operating services	44,194	78	44,272	38,000	10,272
Materials and supplies	1,320	47	1,367	3,000	1,633
Travel and other charges	2,150	508	2,658	10,000	7,342
Capital outlay	-	-	-	-	-
Total Expenditures	86,009	411	86,420	89,000	2,580
Excess of Revenues over Expenditures	5,747	(411)	5,336	5,586	(250)
Fund balances					
Beginning of year	78,088	-	78,088	-	-
End of year	83,835	(411)	83,424	-	-

See accompanying NOTES TO FINANCIAL STATEMENTS.

BOARD OF EXAMINERS OF
 CERTIFIED ACCOUNTS-REPORTERS
 DEPARTMENT OF ECONOMIC DEVELOPMENT

STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE
 COMMERCIAL FUND TYPE - GENERAL FUND

Year Ended June 30, 1967

REVENUES:	
Licenses, permits and fees	\$ 90,410
Interest earned	... 3,780
TOTAL REVENUES	...94,190
EXPENDITURES:	
Public safety - other protection - examination of increased expenditures:	
Personal services and related benefits	37,340
Operating services	40,190
Materials and supplies	3,000
Travel and other charges	2,750
Capital outlay	...
TOTAL EXPENDITURES	...86,280
Excess of Revenues over Expenditures	7,910
FUND BALANCES:	
Beginning of year	...78,084
End of year	\$ 85,994

See accompanying Notes to Financial Statements.

BOARD OF EXAMINERS OF
CERTIFIED ACCOUNTS DEPARTMENTS
DEPARTMENT OF ECONOMIC DEVELOPMENT

FINANCIAL STATEMENT
ALL FUND TYPES AND ACCOUNT GROUPS

June 30, 1987

ASSETS

	Governmental Fund Type General Fund	Account Group General Fund Assets	Total (\$ in thousands)
Cash and cash equivalents (Note 1)	\$ 85,888	\$ -	\$ 85,888
Furniture and equipment (Note 2)	-----	25,248	25,248
Total Assets	\$ 85,888	\$ 25,248	\$ 111,136

LIABILITIES

Accrued salaries	1,242	-	1,242
Accounts payable	551	-	551
Payroll deductions and withholdings payable	358	-----	358
Total Liabilities	\$ 2,151	-----	\$ 2,151

FUND EQUITY

Investment in general fixed assets	-	25,248	25,248
Fund balance - unreserved - undesignated	85,888	-----	85,888
Total Fund Equity	\$ 85,888	\$ 25,248	\$ 111,136
Total Liabilities and Fund Equity	\$ 88,039	\$ 25,296	\$ 113,335

See accompanying NOTES TO FINANCIAL STATEMENTS.

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INDEPENDENT AUDITORS' REPORT

To the Board Members
Louisiana Board of Examiners of Certified Shorthand Reporters
Department of Economic Development,
New Orleans, Louisiana

We have audited the accompanying financial statements of the Louisiana Board of Examiners of Certified Shorthand Reporters, a component unit of the State of Louisiana, as of June 30, 1997 and for the year then ended as listed in the table of contents. These component unit financial statements are the responsibility of the Louisiana Board of Examiners of Certified Shorthand Reporters' management. Our responsibility is to express an opinion on these component unit financial statements based on our audit.

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

In our opinion, the component unit financial statements referred to above present fairly, in all material respects, the financial position of the Louisiana Board of Examiners of Certified Shorthand Reporters as of June 30, 1997, 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 a report dated August 4, 1997, on our consideration of the Louisiana Board of Examiners of Certified Shorthand Reporters' internal control structure and a report dated August 4, 1997 on its compliance with laws and regulations.

Wegmann-Dazet & Co.

August 4, 1997

LOUISIANA BOARD OF EXAMINERS OF CERTIFIED ACCOUNTING REPORTERS
DEPARTMENT OF ECONOMIC DEVELOPMENT
NEW ORLEANS, LOUISIANA

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LOUISIANA BOARD OF EXAMINERS
OF CERTIFIED SHORTHAND REPORTERS
DEPARTMENT OF ECONOMIC DEVELOPMENT

COMPONENT UNIT
FINANCIAL STATEMENTS

For the Year Ended June 30, 1997

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or reviewed, orally and under 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: 08 08 1997

LOUISIANA BOARD OF EXAMINERS
OF CERTIFIED SHORTHAND REPORTERS
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