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LOUISIANA ENDOWMENT FOR THE HUMANITIES
FINANCIAL STATEMENTS AND
REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT

October 31, 1999

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 MAY 10 2000

LOUISIANA ENDOWMENT FOR THE HUMANITIES

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Justin J. Scanlan, C.P.A.

CERTIFIED PUBLIC ACCOUNTANT
4769 ST. ROCH AVE. NEW ORLEANS, LOUISIANA 70122
TELEPHONE: (504) 288-0050

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Louisiana Endowment for the Humanities

I have audited the accompanying statements of financial position of the Louisiana Endowment for the Humanities (a nonprofit corporation) as of October 31, 1999, and the related statements of activities, and cash flows for the year then ended. These financial statements are the responsibility of the Louisiana Endowment for the Humanities' management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my 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 I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Louisiana Endowment for the Humanities as of October 31, 1999, and the changes in its net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued my report dated February 28, 2000, on my consideration of the Louisiana Endowment for the Humanities's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants.

My audit was made for the purpose of forming an opinion on the basic financial statements of the Louisiana Endowment for the Humanities taken as a whole. The supplemental schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is required by the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Justin J. Scanlan, CPA

New Orleans, Louisiana
February 28, 2000

LOUISIANA ENDOWMENT FOR THE HUMANITIES

STATEMENT OF FINANCIAL POSITION

October 31, 1999

ASSETS

**TOTAL
MEMORANDUM ONLY
OCTOBER 31, 1998**

Cash	\$ 600,000	\$ 529,879
Investments (Notes A4 and B)	149,917	150,328
Receivables		
Grant (Notes A5 and C)	121,972	196,972
Other	14,575	7,500
Property and equipment-at cost (Note A6)		
Furniture and equipment	57,467	57,467
	<u><51,547></u>	<u><47,796></u>
Less: accumulated depreciation	<u>5,920</u>	<u>9,971</u>
Total assets	<u>\$ 892,384</u>	<u>\$ 894,650</u>

LIABILITIES AND NET ASSETS

Accounts payable and accrued liabilities	\$ 346,348	\$ 376,326
Commitment (Note D)	<u>-</u>	<u>-</u>
Total liabilities	346,348	376,326
Net assets		
Unrestricted	324,051	326,714
Temporarily restricted	<u>221,985</u>	<u>191,610</u>
Total net assets	<u>546,036</u>	<u>518,324</u>
Total liabilities and net assets	<u>\$ 892,384</u>	<u>\$ 894,650</u>

The accompanying notes are an integral part of this financial statement.

LOUISIANA ENDOWMENT FOR THE HUMANITIES

STATEMENT OF ACTIVITIES

For the year ended October 31, 1999

	<u>TOTAL</u>			<u>MEMORANDUM ONLY</u>
	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>FOR THE YEAR ENDED OCTOBER 31, 1999</u>	<u>FOR THE YEAR ENDED OCTOBER 31, 1998</u>
REVENUE				
Grants				
Government	\$ -	\$ 2,280,108	\$ 2,280,108	\$ 1,670,964
Foundations	-	19,000	19,000	-
Contributions	3,941	99,500	103,441	106,099
Program income	1,115	-	1,115	2,809
Interest income	30,610	2,355	32,965	19,193
Other	359	89,510	89,869	86,996
Net assets released from restrictions	<u>2,460,098</u>	<u><2,460,098></u>	<u>-</u>	<u>-</u>
Total revenue	<u>2,496,123</u>	<u>30,375</u>	<u>2,526,498</u>	<u>1,886,061</u>
EXPENSES				
Administration and program development	749,602	-	749,602	623,362
Special projects expense	829,513	-	829,513	558,962
Regrants	915,620	-	915,620	774,551
Depreciation	<u>4,051</u>	<u>-</u>	<u>4,051</u>	<u>4,051</u>
Total expenses	<u>2,498,786</u>	<u>-</u>	<u>2,498,786</u>	<u>1,960,926</u>
Increase <decrease> in net assets	<2,663>	30,375	27,712	<74,865>
Net assets-restated (Note I), beginning of year	<u>326,714</u>	<u>191,610</u>	<u>518,324</u>	<u>593,189</u>
Net assets, end of year	<u>\$ 324,051</u>	<u>\$ 221,985</u>	<u>\$ 546,036</u>	<u>\$ 518,324</u>

The accompanying notes are an integral part of this financial statement.

LOUISIANA ENDOWMENT FOR THE HUMANITIES

STATEMENT OF CASH FLOWS

For the year ended October 31, 1999

Increase <decrease> in cash and cash equivalents		
Cash flows from operating activities:		
Increase in net assets		\$ 27,712
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	\$ 4,051	
Changes in assets and liabilities:		
Decrease in grant receivables	75,000	
Increase in other receivables	<7,075>	
Decrease in accounts payable and accrued liabilities	<29,978>	<u>41,998</u>
Net cash provided by operating activities		<u>69,710</u>
Cash flows from investing activities:		
Maturities of U.S. Treasury Securities		600,000
Purchase of U.S. Treasury Securities		<u><599,589></u>
Net cash provided by investing activities		<u>411</u>
Net increase in cash and cash equivalents		70,121
Cash and cash equivalents, beginning of year		<u>529,879</u>
Cash and cash equivalents, end of year		<u>\$ 600,000</u>

The accompanying notes are an integral part of this financial statement.

LOUISIANA ENDOWMENT FOR THE HUMANITIES

NOTES TO FINANCIAL STATEMENTS

October 31, 1999

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the Endowment's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

1. Nature of Activities

The Louisiana Endowment for the Humanities is a non-profit corporation organized for the purpose of maintaining a state-based program in the humanities in the State of Louisiana on behalf of its citizens in accordance with the regulations and guidelines established by the Congress of the United States and The National Endowment for the Humanities.

2. Financial Statement of Presentation

The corporation's financial statements are presented in accordance with requirements established by the Financial Accounting Standards Board (FASB) as set forth in the Statement of Financial Accounting Standards No. 117, "Financial Statements of Not-For Profit Organizations," dated June 1993. Accordingly, the net assets of the corporation are reclassified to present the following classes: (a) unrestricted net assets, (b) temporarily restricted net assets, and (c) permanently restricted net assets. There are no permanently restricted net assets.

Net assets of the restricted class are created only by donor-imposed restrictions on their use. All other net assets, including board-designated or appropriated amounts, are legally unrestricted, and are reported as part of the unrestricted class.

3. Revenue Recognition

For financial reporting, the corporation recognizes all contributed support as income in the period received. Contributed support is reported as unrestricted or restricted depending on the existence of donor stipulations that limit the use of the support. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are classified to unrestricted net assets and reported in the statement of activity as "net assets released from restrictions."

Grant revenue is recognized as it is earned in accordance with approved contracts.

4. Investments

Investments are presented in accordance with requirements established by the Financial Accounting Standards Board (FASB) as set for in the Statement of Financial Accounting Standards No. 124, "Accounting for Certain Investments Held By Not-For-Profit Organizations." Under Statement of Financial Accounting Standards No. 124 investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets.

LOUISIANA ENDOWMENT FOR THE HUMANITIES
NOTES TO FINANCIAL STATEMENTS - CONTINUED

October 31, 1999

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

5. Receivables

The corporation considers accounts receivable to be fully collectible since the balance consists principally of payments due under governmental contracts. If amounts due become uncollectible, they will be charged to operations when that determination is made.

6. Property and Equipment

Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, principally on the straight-line method. Depreciation expense for the year ended October 31, 1999 totaled \$4,051.

It is the policy of the corporation to capitalize all property, furniture, and equipment with an acquisition cost in excess of \$5,000.

7. Cash Equivalents

For purposes of the statement of cash flows, the Endowment considers all investments with original maturities of three months or less to be cash equivalents.

8. 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 could differ from these estimates.

9. Fair Values of Financial Investments

Cash, cash equivalents, and temporary investments carrying amounts reported in the statement of financial position approximate fair values because of the short maturities of those investments. The fair values of marketable securities are based on quoted market prices for those or similar investments

LOUISIANA ENDOWMENT FOR THE HUMANITIES
NOTES TO FINANCIAL STATEMENTS - CONTINUED

October 31, 1999

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

10. Total Columns of Combined Statements - Overview

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

NOTE B – INVESTMENTS

Investments at October 31, 1999 consist of the following:

	<u>Market Value</u>	<u>Cost</u>
U. S. Treasury Securities	<u>\$ 149,917</u>	<u>\$ 149,917</u>

There was no unrealized appreciation as of and for the year ended October 31, 1999.

NOTE C -- GRANTS RECEIVABLE

Grants receivable represents the amount of funds awarded but not received at October 31, 1999 as scheduled below:

	<u>Amount</u>
National Endowment for the Humanities NFH Grant GI.21450-97	<u>\$ 171,972</u>

NOTE D -- COMMITMENT

The corporation leases its administrative office under long-term leases expiring November 30, 2000. The lease commitment is as follows:

Fiscal year ended October 31,	
2000	60,931
2001	<u>5,162</u>
	<u>\$ 66,093</u>

Rental expense for the administrative offices totaled \$48,302 for the year ended October 31, 1999.

LOUISIANA ENDOWMENT FOR THE HUMANITIES
NOTES TO FINANCIAL STATEMENTS - CONTINUED

October 31, 1999

NOTE E -- PENSION PLAN

A defined contribution plan was instituted August 31, 1987 and approved by the Internal Revenue Service in January 1988. The Endowment contributes 10% of the participant's annual salary. This plan is funded by the employer. The participant becomes fully vested after five years. Contributions to the plan for the year ended October 31, 1999 totaled \$47,558.

NOTE F -- BOARD OF DIRECTOR'S COMPENSATION

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

NOTE G -- INCOME TAXES

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

NOTE H -- CONCENTRATIONS OF CREDIT RISKS

The corporation's cash balance as of October 31, 1999 consist of the following:

Financial institutions	\$ 255,608
Money Market account --	
U. S. Treasuries	<u>443,169</u>
	698,777
Less: FDIC insurance	<221,854>
U.S. Treasuries	<u><443,169></u>
Unsecured balance	<u>\$ 33,754</u>

NOTE I -- RESTATEMENT OF PRIOR YEAR NET ASSETS

The net assets at November 1, 1998 was restated to correct the classification of prior year interest income totaling \$12,140. The interest income was inadvertently reflected as temporarily restricted net assets in the prior year financial statements.

LOUISIANA ENDOWMENT FOR THE HUMANITIES
NOTES TO FINANCIAL STATEMENTS - CONTINUED

October 31, 1999

NOTE J -- ECONOMIC DEPENDENCY

The corporation receives the majority of its revenue from funds provided through grants administered by the National Endowment for the Humanities and the State of Louisiana. The grant amounts are appropriated each year by the federal government and the State of Louisiana. If significant budget cuts are made at the federal or state level, the amount of the funds the corporation receives could be reduced significantly and have an adverse impact on its operation. At the time of completion of the examination of the corporation's financial statements, management was not aware of any actions taken that would adversely affect the amount of funds the corporation will receive the next fiscal year.

The corporation is supported primarily through grants from The National Endowment for the Humanities and the State of Louisiana, Department of Culture, Recreation and Tourism. Approximately, 22% of the corporation support was received from the National Endowment for the Humanities and 69% from the State of Louisiana during the year ended October 31, 1999.

LOUISIANA ENDOWMENT FOR THE HUMANITIES

STATEMENT OF ACTIVITIES
UNRESTRICTED AND TEMPORARILY RESTRICTED ASSETS

For the year ended October 31, 1999

	<u>NEH GRANT GL-21348-95</u>	<u>NEH GRANT SO-21415-96</u>	<u>NEH GRANT GL 21450-97</u>	<u>NEH GRANT SO-21604-99</u>
REVENUE				
Grants	\$ -	\$ -	\$ -	\$ 532,108
Contributions	-	-	8,000	91,500
Program income	-	-	-	-
Interest income	46	-	198	2,111
Other income	<u>376</u>	<u>7,075</u>	<u>-</u>	<u>82,059</u>
Total Revenue	<u>422</u>	<u>7,075</u>	<u>8,198</u>	<u>707,778</u>
EXPENSES				
Administration and program development	31,692	2,335	48,950	537,182
Special projects expense	-	-	-	74,647
Regrants	-	<24,281>	-	18,044
Depreciation	-	-	-	-
Total Expenses	<u>31,692</u>	<u><21,946></u>	<u>48,950</u>	<u>629,873</u>
Increase <decrease> in net assets	<31,270>	29,021	<40,752>	127,905
Net assets-restated, beginning of year	<u>31,270</u>	<u><29,021></u>	<u>184,832</u>	<u>-</u>
Net assets, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 144,080</u>	<u>\$ 77,905</u>

LOUISIANA ENDOWMENT FOR THE HUMANITIES

STATEMENT OF ACTIVITIES
UNRESTRICTED AND TEMPORARILY RESTRICTED ASSETS - CONTINUED

For the year ended October 31, 1999

STATE OF LOUISIANA STATE OF LOUISIANA
COOPERATIVE ENDEAVOR COOPERATIVE ENDEAVOR
AGREEMENT AGREEMENT
DCRT-OCDD-99-02 DCRT-OCDD-00-02

	\$	\$	\$	GENERAL	TOTAL
REVENUE					
Grants	1,117,000	650,000	-	-	2,299,108
Contributions	-	-	3,941	3,941	103,441
Program income	-	-	1,115	1,115	1,115
Interest income	-	-	30,610	30,610	32,965
Other income	-	-	359	359	89,869
Total Revenue	<u>1,117,000</u>	<u>650,000</u>	<u>36,025</u>	<u>36,025</u>	<u>2,526,498</u>
EXPENSES					
Administration and program development	75,806	19,000	34,637	34,637	749,602
Special projects expense	504,866	250,000	-	-	829,513
Regrants	540,857	381,000	-	-	915,620
Depreciation	-	-	4,051	4,051	4,051
Total Expenses	<u>1,121,529</u>	<u>650,000</u>	<u>38,688</u>	<u>38,688</u>	<u>2,498,786</u>
Increase <decrease> in net assets	<4,529>	-	<2,663>	<2,663>	27,712
Net assets-restated, beginning of year	<u>4,529</u>	<u>-</u>	<u>326,714</u>	<u>326,714</u>	<u>518,324</u>
Net assets, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 324,051</u>	<u>\$ 324,051</u>	<u>\$ 546,036</u>

LOUISIANA ENDOWMENT FOR THE HUMANITIES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended October 31, 1999

	<u>Grant No.</u>	<u>Federal CFDA Number</u>	<u>Total Federal Expenditures</u>	<u>Subrecipient Costs</u>
National Endowment for the Humanities	GL-21348-95	45.164	\$ 31,692	\$ -
	GL-21450-97	45.164	48,950	-
	SO-21604-99	45.129	<u>629,873</u>	<u>18,044</u>
Total National Endowment for the Humanities			<u>710,515</u>	<u>18,044</u>
Total Federal Awards			<u>\$ 710,515</u>	<u>\$ 18,044</u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

A. Presentation of Financial Statements

The accompanying Schedule of Expenditures of Federal Awards has been prepared on the accrual basis of accounting. Grant revenues are recorded, for financial reporting purposes, when the Louisiana Endowment for the Humanities has met the cost reimbursement or funding qualifications for the respective grants.

Justin J. Scanlan, C.P.A.

CERTIFIED PUBLIC ACCOUNTANT
4769 ST. ROCH AVE. NEW ORLEANS, LOUISIANA 70122
TELEPHONE: (504) 288-0050

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
Louisiana Endowment for the Humanities

I have audited the financial statements of the Louisiana Endowment for the Humanities (a non-profit corporation) as of and for the year ended October 31, 1999, and have issued my report thereon dated February 28, 2000. I conducted my 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 Louisiana Endowment for the Humanities's financial statements are free of material misstatement, I 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 was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Louisiana Endowment for the Humanities's *internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting.* My 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. 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended for the information and use of the audit committee, 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.

Justin J. Scanlan, CPA

New Orleans, Louisiana
February 28, 2000

Justin J. Scanlan, C.P.A.

CERTIFIED PUBLIC ACCOUNTANT
4769 ST. ROCH AVE. NEW ORLEANS, LOUISIANA 70122
TELEPHONE: (504) 288-0050

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Directors
Louisiana Endowment for the Humanities

Compliance

I have audited the financial statements of the Louisiana Endowment for the Humanities (a non-profit corporation) with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement" that are applicable to each of its major federal programs for the year ended October 31, 1999. The Louisiana Endowment for the Humanities's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Louisiana Endowment for the Humanities's management. My responsibility is to express an opinion on the Louisiana Endowment for the Humanities's compliance based on my audit.

I conducted my audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, "Audits of the States, Local Governments, Non-Profit Organizations." Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Louisiana Endowment for the Humanities's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on the Louisiana Endowment for the Humanities's compliance with those requirements.

In my opinion, the Louisiana Endowment for the Humanities complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended October 31, 1999.

Internal Control Over Compliance

The management of the Louisiana Endowment for the Humanities is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing my audit, I considered the Louisiana Endowment for the Humanities's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. 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 noncompliance with applicable requirements of laws, regulations, contract and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

This report is intended for the information and use of the audit committee, 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.

Justin J. Scanlan, CPA

New Orleans, Louisiana
February 28, 2000

LOUISIANA ENDOWMENT FOR THE HUMANITIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended October 31, 1999

SUMMARY OF THE AUDITOR'S REPORT

1. An unqualified opinion was issued on the financial statements of the auditee.
2. The statement that reportable conditions in internal control were disclosed by the audit of the financial statements and whether any such conditions were material weaknesses is not applicable.
3. The audit disclosed no instances of noncompliance that were material to the financial statements of the auditee.
4. The statement that reportable conditions in internal control over major programs were disclosed by the audit and whether any such conditions were material weaknesses is not applicable.
5. An unqualified opinion was issued on compliance for major programs.
6. The audit disclosed no findings which are required to be reported under Section 510(a) of Circular A-133.
7. Major program for the fiscal year ended October 31, 1999 was National Endowment For The Humanities, Grant No. SO-21604-99 (CFDA #45.129).
8. The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
9. The auditee did not qualify as a low-risk auditee.

SCHEDULE OF FINDINGS RELATED TO THE FINANCIAL STATEMENTS

There were no findings related to the financial statements for the year ended October 31, 1999.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS

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

STATUS OF PRIOR YEAR AUDIT FINDINGS

There were no prior year audit findings.