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**CITY COURT OF THIBODAUX,
LOUISIANA**

***Financial Report,
Internal Control and
Compliance Report***

December 31, 1998

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 ~~MAR 31 1999~~



CITY COURT OF THIBODAUX, LOUISIANA

Financial Report, Internal Control and Compliance Reports

December 31, 1998

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CITY COURT OF THIBODAUX, LOUISIANA

December 31, 1998

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FINANCIAL
SECTION



STAGNI & COMPANY, LLC

INDEPENDENT AUDITOR'S REPORT

To the Honorable David M. Richard, Judge
City Court of Thibodaux, Louisiana

We have audited the accompanying general-purpose financial statements and the combining, individual fund and account group financial statements of the City Court of Thibodaux, Louisiana, a component unit of the City of Thibodaux, Louisiana, as of and for the year ended December 31, 1998 as listed in the financial section of the table of contents. These general-purpose financial statements are the responsibility of the City Court of Thibodaux, Louisiana's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

Except as discussed in the following paragraph, 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Governmental Accounting Standards Board Technical Bulletin 98-1, *Disclosures about Year 2000 Issues*, requires disclosure of certain matters regarding the year 2000 issue. The City Court of Thibodaux, Louisiana has included such disclosures in Note 7. Because of the unprecedented nature of the year 2000 issue, its effects and the success of related remediation efforts will not be

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To the Honorable David M. Richard, Judge
City Court of Thibodaux, Louisiana
Page 2

fully determinable until the year 2000 and thereafter. Accordingly, insufficient audit evidence exists to support the City Court of Thibodaux, Louisiana disclosures with respect to the year 2000 issue made in Note 7. Further, we do not provide assurance that the City Court of Thibodaux, Louisiana is or will be year 2000 ready, that the City Court of Thibodaux, Louisiana's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the City Court of Thibodaux, Louisiana does business will be year 2000 ready.

In our opinion, except for the effects of such adjustment, if any, as might have been determined to be necessary had we been able to examine evidence regarding year 2000 disclosures, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the City Court of Thibodaux, Louisiana as of December 31, 1998, 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 January 13, 1999 on our consideration of the City Court of Thibodaux's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Stagni & Company, LLC

Thibodaux, Louisiana
January 13, 1999



CITY COURT OF THIBODAUX, LOUISIANA

Statement A

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

December 31, 1998

	Governmental Fund Types		Fiduciary Fund Types	Account Group	Total (Memorandum Only)
	General Fund	Special Revenue Funds	Agency Funds	General Fixed Assets	
<u>ASSETS AND OTHER DEBITS</u>					
Cash and cash equivalents	\$ 62,654	\$207,106	\$ 14,415		\$ 284,175
Due from General Fund		1,171			1,171
Furniture, fixtures and equipment				\$ 50,823	50,823
Total assets	\$ 62,654	\$208,277	\$ 14,415	\$ 50,823	\$ 336,169
<u>LIABILITIES, EQUITY, AND OTHER CREDITS</u>					
Liabilities:					
Accounts payable and accrued expenses	\$ 72				\$ 72
Fees payable	445	\$ 17,222			17,667
Due to Marshall's Fund	1,171				1,171
Due to other governments:					
Indigent Defender Board	1,905				1,905
Lafourche Parish	2,445				2,445
City of Thibodaux	5,444				5,444
Louisiana Commission on Law Enforcement	539				539
State of Louisiana	697				697
Bond and other deposits	779	124,232	\$ 14,415		139,426
Total liabilities	13,497	141,454	\$ 14,415	14,415	169,366
Equity and Other Credits:					
Investment in general fixed assets				\$ 50,823	50,823
Fund balance - unreserved, undesignated	49,157	66,823			115,980
Total equity and other credits	49,157	66,823		50,823	166,803
Total liabilities, equity, and other credits	\$ 62,654	\$208,277	\$ 14,415	\$ 50,823	\$ 336,169

See notes to financial statements.

CITY COURT OF THIBODAUX, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUND TYPES
 As of and for the year ended December 31, 1998

	General Fund	Special Revenue Funds	Total (Memorandum Only)
REVENUES			
Charges for services:			
Court fees, fines and costs	\$ 67,452	\$ 20,927	\$ 88,379
Interest earned	1,588	4,468	6,056
Total revenues	69,040	25,395	94,435
EXPENDITURES			
Current:			
General government - judicial			
Personnel	33,427	325	33,752
Supplies	2,557	413	2,970
Dues	647	499	1,146
Meetings and conventions	250	1,157	1,407
Other services and charges	11,505		11,505
Total expenditures	48,386	2,394	50,780
Excess (Deficiency) of Revenues Over Expenditures	20,654	23,001	43,655
FUND BALANCE			
Beginning of year	28,503	43,822	72,325
End of year	\$ 49,157	\$ 66,823	\$ 115,980

See notes to financial statements.

City Court of Thibodaux, Louisiana

Notes to the Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City Court of Thibodaux, Louisiana was created in 1953 under General Legislative authority provided by Article 7, Section 51, of the Louisiana Constitution of 1921. In 1960, Louisiana Revised Statutes 13:1951 was passed recognizing and continuing the existence of city courts created and established pursuant to this authority. The City Court of Thibodaux, Louisiana serves the people of the City of Thibodaux, Louisiana and all of Ward 2 of the Parish of Lafourche, Louisiana.

The component unit financial statements of the City Court of Thibodaux, Louisiana has been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the City Court of Thibodaux, Louisiana are described below:

A. Reporting Entity

City Court of Thibodaux, Louisiana is a component unit of the City of Thibodaux, Louisiana as defined by GASB 14. City Court of Thibodaux, Louisiana's judges and marshals are independently elected officials. City Court of Thibodaux, Louisiana is fiscally dependent on the City of Thibodaux, Louisiana for office space and courtrooms. The substance of the relationship between City Court of Thibodaux, Louisiana and the City of Thibodaux, Louisiana is that the City of Thibodaux, Louisiana has approval authority over its capital budget.

B. Fund Accounting

The City Court of Thibodaux, Louisiana uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

City Court of Thibodaux, Louisiana

Notes to the Financial Statements, (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

B. Fund Accounting, (Continued)

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed 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.

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". City Court of Thibodaux, Louisiana uses governmental and fiduciary funds in its operations.

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds). The general fund is used to account for all activities of the general government not accounted for in some other fund. The general fund accounts for fines and costs collected for and payable to other governmental units.

Fiduciary funds are used to account for assets on behalf of outside parties, including other governments, or on behalf of other funds within the government. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent.

Account groups are used to establish accounting control and accountability for the City Court of Thibodaux, Louisiana's general fixed assets. The general fixed assets are not financial resources available for expenditure. These account groups are not funds and do not reflect available financial resources and related liabilities.

City Court of Thibodaux, Louisiana

Notes to the Financial Statements, (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resource measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet.

Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Court fees, fines, and other revenues are recorded when collected. Expenditures are recorded when the fund liability is incurred.

D. Budgets

City courts are not required under state statutes to adopt a budget. The City Court of Thibodaux, Louisiana has elected not to prepare an annual budget.

Encumbrances represent commitments related to unperformed contracts for goods or services. The City Court of Thibodaux does not use an encumbrance system.

E. Cash and Cash Equivalents

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within a year of the date acquired.

City Court of Thibodaux, Louisiana

Notes to the Financial Statements, (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

F. Short-Term Interfund Receivables/Payables

During the course of operations transactions occur between individual funds. These receivables and payables are classified as "due to or due from other funds" on the balance sheet.

G. Fixed Assets

Fixed assets used in governmental fund type operations (general fixed assets), are capitalized and accounted for in the General Fixed Assets Account Group, rather than in the governmental funds. Capital acquisitions are reflected as expenditures in the governmental funds. All purchased fixed assets are valued at acquisition cost. No depreciation has been provided on general fixed assets. The cost of normal repair and maintenance that do not add to the value of the asset or do not extend asset lives are not capitalized. Various assets used by the City Court of Thibodaux, Louisiana are the property of the City of Thibodaux, Louisiana and are reflected in the General Fixed Assets Account Group of the City of Thibodaux, Louisiana. No values of these assets are reflected in the General Fixed Asset Account Group of the City Court of Thibodaux, Louisiana.

H. Compensated Absences

Individuals who work at the City Court of Thibodaux, Louisiana office are primarily employed by the City of Thibodaux, Louisiana. No liability for compensated absences is reflected on the City Court of Thibodaux, Louisiana's financial statements. Vacation and sick leave do not accumulate.

City Court of Thibodaux, Louisiana

Notes to the Financial Statements, (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

I. Total Columns on Combined Statements-Overview

The total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations 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.

NOTE 2 - DEPOSITS

At year end, the carrying amount of the City Court of Thibodaux, Louisiana's deposits was \$284,175 and the bank balance was \$287,366. Under state law, these deposits (or resulting bank balances) 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 on the deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. The deposits of City Court of Thibodaux, Louisiana are secured from risk by \$268,308 of federal deposit insurance and the balance by pledged securities at market value of \$238,914.

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana 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 City Court of Thibodaux, Louisiana that the fiscal agent has failed to pay deposited funds upon demand.

City Court of Thibodaux, Louisiana

Notes to the Financial Statements, (Continued)

NOTE 3 - FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance 12/31/97	Additions/ (Retirements)	Balance 12/31/98
Furniture, Fixtures, and Equipment	\$50,823	\$0	\$50,823
Investments in General			
Fixed Assets:			
General Fund	\$48,921		\$48,921
Marshal's Fund	1,681		1,681
Civil Court Fund	221		221
Totals	\$50,823	\$0	\$50,823

NOTE 4 - LITIGATION AND CLAIMS

There is no litigation pending against City Court of Thibodaux, Louisiana at December 31, 1998.

NOTE 5 - EMPLOYEE RETIREMENT SYSTEMS

All individuals who work at City Court of Thibodaux, Louisiana are paid by the City of Thibodaux, Louisiana and are consequently members of the Municipal Employees Retirement System. GASB requires certain disclosures for employers who maintain retirement plans for their employees. All individuals employed at the City Court of Thibodaux, Louisiana are compensated by others who disclose the required retirement plan information in their separately issued financial statements. The retirement plan mentioned above is administered and controlled by a separate board of trustees.

City Court of Thibodaux, Louisiana

Notes to the Financial Statements, (Continued)

NOTE 6 - EXPENDITURES OF CITY COURT OF THIBODAUX, LOUISIANA NOT INCLUDED IN THE FINANCIAL STATEMENTS

The accompanying financial statements do not include certain expenditures of the City Court of Thibodaux, Louisiana paid out of funds of the City of Thibodaux, Louisiana. A portion of the salary of the office staff, utilities, operating supplies, building expenses and certain other miscellaneous expenses are paid by the City of Thibodaux, Louisiana.

NOTE 7- YEAR 2000 ISSUE

The year 2000 issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the government's operations as early as fiscal year 1999.

City Court of Thibodaux, Louisiana has completed an inventory of computer systems and other electronic equipment that may be affected by the year 2000 issue and that are necessary to conducting City Court of Thibodaux, Louisiana's operation. Based on this inventory, the City Court of Thibodaux, Louisiana is in the remediation stage in that a programmer has been contracted with in preparation for year 2000 compliance. Additional hardware is expected to be purchased. The cost of the additional hardware, software and programmer are not known at this time. Testing and validation of the systems will need to be completed after the hardware and software is installed.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that the City Court of Thibodaux, Louisiana is or will be Year 2000 ready, the City Court of Thibodaux, Louisiana's remediation efforts will be successful in whole or in part, or that parties with whom the City of Thibodaux, Louisiana does business will be year 2000 ready.

SPECIAL REVENUE FUNDS

CIVIL COURT FUND - The Civil Court Fund is used to account for financial resources and expenditures resulting from civil court operations.

MARSHAL'S FUND - The Marshal's Fund is used to account for financial resources and expenditures resulting from operations of the Marshal's office.

CITY COURT OF THIBODAUX, LOUISIANA

COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS

December 31, 1998

	<u>Civil Court Fund</u>	<u>Marshal's Fund</u>	<u>Totals</u>
ASSETS			
Cash and cash equivalents	\$ 166,555	\$ 40,551	\$ 207,106
Due from General Fund		1,171	1,171
 Total Assets	 <u>\$166,555</u>	 <u>\$ 41,722</u>	 <u>\$ 208,277</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Fees Payable	\$ 17,222		\$ 17,222
Bonds and other deposits	124,232		124,232
 Total liabilities	 <u>141,454</u>	 <u>-</u>	 <u>141,454</u>
Fund balances:			
Unreserved - undesignated	25,101	41,722	66,823
 Total liabilities and fund balances	 <u>\$ 166,555</u>	 <u>\$ 41,722</u>	 <u>\$ 208,277</u>

See notes to financial statements.

CITY COURT OF THIBODAUX, LOUISIANA

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

As of and for the year ended December 31, 1998

	Civil Court Fund	Marshal's Fund	Totals
REVENUES			
Charges for services:			
Court fees, fines and costs	\$ 273	\$ 20,654	\$ 20,927
Interest earned	4,468		4,468
Total revenues	4,741	20,654	25,395
EXPENDITURES - CURRENT			
General government - judicial:			
Personnel services		325	325
Supplies		413	413
Dues		499	499
Meetings and conventions	1,157		1,157
Total expenditures	1,157	1,237	2,394
Excess (Deficiency) of Revenues Over Expenditures	3,584	19,417	23,001
FUND BALANCE			
Beginning of year	21,517	22,305	43,822
End of year	\$ 25,101	\$ 41,722	\$ 66,823

See notes to financial statements.

AGENCY FUNDS

Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

RESTITUTION FUND - The Restitution Fund is used to account for those assets placed with the City Court of Thibodaux, Louisiana, as an agent for individuals, et cetera and are ultimately transmitted to them.

BOND FUND - The Bond Fund is used to account for those assets placed with the City Court of Thibodaux, Louisiana as agent by or on behalf of individuals et cetera. Such assets are held until such time as their proper distribution has been determined (i.e., returned to payor or forfeited).

CITY COURT OF THIBODAUX, LOUISIANA

COMBINING BALANCE SHEET
AGENCY FUNDS

December 31, 1998

	<u>Restitution Fund</u>	<u>Bond Fund</u>	<u>Total</u>
CASH			
Cash and cash equivalents	<u>\$ 193</u>	<u>\$ 14,222</u>	<u>\$ 14,415</u>
Total assets	<u>\$ 193</u>	<u>\$ 14,222</u>	<u>\$ 14,415</u>
LIABILITIES			
Bonds payable		\$ 14,222	\$ 14,222
Restitution payable	<u>\$ 193</u>		<u>193</u>
Total liabilities	<u>\$ 193</u>	<u>\$ 14,222</u>	<u>\$ 14,415</u>

See notes to financial statements.

CITY COURT OF THIBODAUX, LOUISIANA

STATEMENT OF CHANGES IN AGENCY BALANCES

December 31, 1998

		<u>Restitution Fund</u>	<u>Bond Fund</u>	<u>Total</u>
Balance	12/31/97	\$ 179	\$ 12,169	\$ 12,348
<u>ADDITIONS</u>				
	Restitutions collected	8,159		8,159
	Bond fees collected	<u> </u>	<u>21,695</u>	<u>21,695</u>
	TOTAL ADDITIONS	<u>8,159</u>	<u>21,695</u>	<u>29,854</u>
<u>DISBURSEMENTS</u>				
	Restitutions paid	8,145		8,145
	Bond fees paid	<u> </u>	<u>19,642</u>	<u>19,642</u>
	TOTAL DISBURSEMENTS	<u>8,145</u>	<u>19,642</u>	<u>27,787</u>
Balance	12/31/98	<u>\$ 193</u>	<u>\$ 14,222</u>	<u>\$ 14,415</u>

See notes to financial statements.

***INTERNAL CONTROL
AND
COMPLIANCE SECTION***



STAGNI & COMPANY, LLC

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

Honorable David M. Richard, Judge
City Court of Thibodaux, Louisiana

We have audited the general purpose financial statements and the combining, individual fund and account group financial statements of the City Court of Thibodaux, Louisiana a component unit of the City of Thibodaux, Louisiana as of and for the year ended December 31, 1998, and have issued our report thereon dated January 13, 1999, which was qualified because insufficient audit evidence exists to support the City Court of Thibodaux, Louisiana's disclosures with respect to the year 2000 issue.

Except as discussed in the preceding sentence, 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 City Court of Thibodaux's general purpose 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 was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

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To the Honorable David M. Richard, Judge
City Court of Thibodaux, Louisiana
Page 2

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City Court of Thibodaux'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. 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. 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of management. However, this report is a matter of public record and its distribution is not limited.

Stagni & Company, LLC

Thibodaux, Louisiana
January 13, 1999



CITY COURT OF THIBODAUX, LOUISIANA
Summary Schedule of Findings and Questioned Costs
For the Year Ended December 31, 1998

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses a qualified opinion on the general-purpose financial statements, and the combining individual fund and account group financial statements of the City Court of Thibodaux, Louisiana, a component unit of the City of Thibodaux, Louisiana. The report was qualified because insufficient audit evidence exists to support the City Court of Thibodaux, Louisiana's disclosures with respect to year 2000 issues
2. No reportable conditions relating to the audit of the financial statements are reported in the Report on Compliance and Internal Control over Financial Reporting Based on an Audit of Financial Statements in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of the City Court of Thibodaux were disclosed during the audit.
4. There was no management letter issued in connection with the audit of the financial statements.

- B.** There were no findings relating to the financial statements that are required to be reported in accordance with GAGAS.

CITY COURT OF THIBODAUX, LOUISIANA

Summary Schedule of Prior Year Findings
For the Year Ended December 31, 1998

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SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
NONE	
SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
NOT APPLICABLE	
SECTION III - MANAGEMENT LETTER	
NONE	

CITY COURT OF THIBODAUX, LOUISIANA

Management's Corrective Action Plan
For the Year Ended December 31, 1998

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
NONE NECESSARY	
SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
NOT APPLICABLE	
SECTION III - MANAGEMENT LETTER	
NONE NECESSARY	