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EAST JEFFERSON GENERAL HOSPITAL  
MOBILITY IMPAIRED TRANSPORTATION SERVICES PROGRAM

STATEMENT OF FARE REVENUE RECEIVED  
AND OPERATING COSTS PAID

YEAR ENDED DECEMBER 31, 1995  
WITH REPORT OF INDEPENDENT AUDITORS

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: ~~APR 24 1996~~  
APR 24 1996

ARTHUR ANDERSEN LLP

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EAST JEFFERSON GENERAL HOSPITAL

AUDIT REPORTS RELATED TO OMB CIRCULAR A-121

YEAR ENDED DECEMBER 31, 1993

EAST JEFFERSON GENERAL HOSPITAL  
MOBILITY IMPAIRED TRANSPORTATION SERVICES PROGRAM  
STATEMENT OF FARE REVENUE  
RECEIVED AND OPERATING COSTS PAID  
YEAR ENDED DECEMBER 31, 1995

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# ARTHUR ANDERSEN LLP

## REPORT OF INDEPENDENT AUDITORS ON SUPPLEMENTARY INFORMATION - SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

The East Jefferson Hospital Board  
Jefferson Parish Hospital Service District No. 2  
Parish of Jefferson, State of Louisiana

We have audited the general purpose financial statements of East Jefferson General Hospital (the Hospital) as of and for the year ended December 31, 1995, and have issued our report thereon dated March 1, 1996. The general purpose financial statements and the Schedule referred to below are the responsibility of the Hospital's management. Our responsibility is to express an opinion on the general purpose financial statements and the Schedule referred to below based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards for financial audits contained in Government Auditing Standards (1994 Revision) 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 financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the Hospital, taken as a whole. The accompanying Schedule of Federal Financial Assistance is presented for purposes of additional analysis and is not a required part of the Hospital's general purpose financial statements. The information in this Schedule 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.

*Arthur Andersen LLP*

New Orleans, Louisiana,  
March 18, 1996

EAST IBERION GENERAL HOSPITAL  
MOBILITY IMPAIRED TRANSPORTATION SERVICES PROGRAM

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

YEAR ENDED DECEMBER 31, 1999

| <u>Federal Grantor/<br/>Pass-Through Grantor<br/>Program Title</u>  | <u>Federal<br/>CFDA<br/>Number</u> | <u>Grant Number</u> | <u>Federal<br/>Financial<br/>Assistance<br/>Expenditures</u> |
|---|------------------------------------|---------------------|--|
| U. S. Department of Transportation-<br>Federal Transit Administration-Regional Planning<br>Commission, Jefferson Parish, Louisiana - Elderly<br>and Handicapped Transit Service | 20.807                             | LA-90-N110          | <u>\$468,000</u>   |

**REPORT OF INDEPENDENT AUDITORS ON THE INTERNAL CONTROL STRUCTURE  
USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

To the East Jefferson Hospital Board  
Jefferson Parish Hospital Service District No. 2,  
Parish of Jefferson, State of Louisiana:

We have audited the general purpose financial statements of East Jefferson General Hospital (the Hospital) as of and for the year ended December 31, 1995, and have issued our report thereon dated March 1, 1996.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Circular A-128, Audit of State and Local Governments. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

In planning and performing our audit for the year ended December 31, 1995, we considered the internal control structure of the Hospital in order to determine our auditing procedures for the purpose of expressing our opinion on the Hospital's general purpose financial statements and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to Federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated March 1, 1996.

Management of the Hospital is responsible for establishing and maintaining an 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 structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles, and that Federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities or instances of noncompliance may nevertheless occur and not be detected. Also, projections 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.

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

#### **Internal Accounting Controls**

- Cash receipts
- Cash disbursements
- Payroll

#### **Administrative Controls**

##### **General Requirements**

- Political activity
- Civil rights
- Cash management
- Allowable costs/cost principles

##### **Specific Requirements**

- Types of services
- Eligibility
- Matching, level of effort or cost-sharing
- Reporting

#### **Claims for Advances and Reimbursements**

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended December 31, 1995, the Hospital had no major federal financial assistance programs and expended 100% of its total federal financial assistance under the East Jefferson General Hospital Mobility Impaired Transportation Services Program, which is a nonmajor federal financial assistance program.

We performed tests of controls, as required by OIGBI Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to the East Jefferson General Hospital Mobility Impaired Transportation Services Program. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures and, accordingly, we do not express such an opinion.

Our consideration of the internal control structure policies and procedures used in administering federal financial assistance 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 condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that non-compliance with laws and regulations that would be material in a federal financial assistance program 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 for the information of the board, management, Jefferson Parish, Louisiana, and the United States Department of Transportation. However, this report is a matter of public record and its distribution is not limited.

*Arthur Andersen LLP*

New Orleans, Louisiana,  
March 18, 1998

# ARTHUR ANDERSEN LLP

**REPORT OF INDEPENDENT AUDITORS ON COMPLIANCE  
WITH SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR  
FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS**

To the East Jefferson Hospital Board  
Jefferson Parish Hospital Service District No. 2,  
Parish of Jefferson, State of Louisiana

We have audited the general purpose financial statements of East Jefferson General Hospital (the Hospital) as of and for the year ended December 31, 1995, and have issued our report thereon dated March 1, 1996.

In connection with our audit of the 1995 general purpose financial statements of the Hospital and with our consideration of the Hospital's control structure used to administer federal financial assistance programs, as required by the Office of Management and Budget (OMB) Circular A-128, *Audits of State and Local Governments*, we selected certain transactions applicable to the East Jefferson General Hospital Mobility (Impaired) Transportation Services Program (nonmajor Federal program) for the year ended December 31, 1995. As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing: (1) types of services allowed or unallowed; (2) eligibility; (3) matching; level of effort or cost-sharing; (4) reporting; (5) special tests and provisions; and (6) claims for advances and reimbursements that are applicable to these transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Hospital's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of these procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the Hospital had not complied, in all material respects, with these requirements.

This report is intended for the information of the board, management, Jefferson Parish, Louisiana, and the United States Department of Transportation. However, this report is a matter of public record and its distribution is not limited.

*Arthur Andersen LLP*

New Orleans, Louisiana,  
March 18, 1996

# ARTHUR ANDERSON LLP

**REPORT OF INDEPENDENT AUDITORS ON COMPLYANCE  
WITH THE GENERAL REQUIREMENTS APPLICABLE TO  
FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

To the East Jefferson Hospital Board  
Jefferson Parish Hospital Service District No. 2,  
Parish of Jefferson, State of Louisiana

We have audited the general purpose financial statements of East Jefferson General Hospital (the Hospital) as of and for the year ended December 31, 1995, and have issued our report thereon dated March 1, 1996.

We have applied procedures to test the Hospital's compliance with the following requirements applicable to its federal financial assistance programs, the East Jefferson General Hospital Military Impaired Transportation Services Program, for the year ended December 31, 1995. (\*) Not applicable to East Jefferson General Hospital in 1995.

- Political activity
- Debt-Rates Act(\*)
- Civil rights
- Cash management
- Federal financial reports
- Allowable costs/cost principles
- Drug-free workplace
- Administrative requirements

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's Compliance Supplement for Single Audits of State and Local Governments. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Hospital's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the Hospital had not complied, in all material respects, with those requirements.

This report is intended for the informative of the board, management, Jefferson Parish, Louisiana, and the United States Department of Transportation. However, this report is a matter of public record and its distribution is not limited.

*Arthur Anderson LLP*

New Orleans, Louisiana,  
March 18, 1996.