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Report on  
The Financial statements of  
AMBULANCE SERVICE DISTRICT  
No. 2 OF LAFOURCHE PARISH  
December 31, 1993  
and  
December 31, 1994

under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or reviewed, entity and other appropriate public officials. This 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 \_\_\_\_\_

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Board of Commissioners  
Ambulance Service District No. 1  
of Lafourche Parish

INDEPENDENT AUDITOR'S REPORT

I have audited the accompanying general purpose financial statements of Ambulance Service District No. 1 of Lafourche Parish, component unit of the Lafourche Parish Council, as of December 31, 1995 and December 31, 1994, and for the years then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of Ambulance Service District No. 1 of Lafourche Parish management. My responsibility is to express an opinion on these general purpose financial statements based on my audits.

I conducted my audits in accordance with generally accepted auditing standards and measurement auditing standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audits 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. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Ambulance Service District No. 1 of Lafourche Parish as of December 31, 1995 and December 31, 1994, and the results of its operations and its cash flows for the years then ended, in conformity with generally accepted accounting principles.

My audits were conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying financial information listed as supplementary information 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 Ambulance Service District No. 1 of Lafourche Parish. Such information has been subjected to the auditing procedures applied in the audits of the general purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

INDEPENDENT AUDITOR'S REPORT  
(Continued)

In accordance with Government Auditing Standards, we have also issued a report dated June 20, 1986 on our consideration of Ambulance Service District No. 1 of Lafourche Parish internal control structure and a report dated June 20, 1986 on its compliance with laws and regulations.



Alden C. Wahl, Jr.  
Certified Public Accountant

June 20, 1986

AMBULANCE SERVICE DISTRICT NO. 1  
OF LAPOURDCE PARISH

BALANCE SHEETS

	December 31,	
	1993	1994
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 213,849	\$ 216,708
Accounts receivable, net allowance for uncollectible accounts (1993 - \$220,887; 1994 - \$113,280)	300,225	81,066
Millage tax receivable, net allowance for uncollectible accounts (1993 - \$13,028; 1994 - \$13,808)	256,188	263,387
Prepaid insurance	33,483	32,620
Total	803,743	693,871
<b>PROPERTY AND EQUIPMENT</b>		
Property and equipment, at cost	533,843	424,143
Less: Accumulated depreciation	167,672	184,249
Property and equipment - net	366,171	239,894
<b>OTHER ASSETS</b>		
	39	56
Total assets	\$ 1,170,153	\$ 933,811
<b>LIABILITIES AND FUND EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 7,838	\$ 4,247
Accrued liabilities	2,320	5,813
Total current liabilities	10,158	10,060
<b>FUND EQUITY</b>		
Contributed capital, Government	17,373	17,373
Customers	3,414	3,414
Retained earnings	244,442	241,561
Total fund equity	265,229	262,348
Total liabilities and fund equity	\$ 1,170,153	\$ 933,811

See accompanying notes to financial statements.

AMBULANCE SERVICE DISTRICT NO. 1  
OF LAPEERE PARKS

STATEMENTS OF REVENUES, EXPENSES AND  
CHANGES IN RETAINED EARNINGS

	1993	1994
December 31,		
<b>OPERATING REVENUES:</b>		
Charges for Services-ambulance	\$ 730,767	\$ 698,338
Other	712	884
Total operating revenues	731,479	709,222
<b>OPERATING EXPENSES:</b>		
Advertising	959	1,388
Contractual services	23,715	31,834
Depreciation	47,939	49,314
Dues and subscriptions	595	789
Fuel	5,893	4,098
Insurance - general	47,936	49,357
Insurance - medical	26,743	28,103
Medical supplies	18,349	13,813
Miscellaneous expenses	8,374	3,218
Office and general supplies	7,307	5,124
Payroll taxes and retirement	54,579	46,325
Postage	3,469	836
Professional fees	3,888	3,300
Provision for uncollectible receivables	388,858	346,813
Repairs and maintenance	22,598	13,974
Salaries	487,186	372,386
Telephone	8,712	4,837
Travel and training	3,611	679
Uniforms	1,335	3,034
Utilities	10,427	8,798
Total operating expenses	994,319	861,728
Operating income (loss)	(262,840)	(152,506)
<b>NONOPERATING REVENUES:</b>		
Millage tax, net of assessor's fees of \$ 8,381 in 1993 and \$ 8,358 in 1994	267,133	277,387
Investment income	12,584	8,615
Total nonoperating revenues	279,717	286,002
Net income	17,877	13,496
Retained earnings, beginning of year	321,561	321,081
Retained earnings, end of year	\$ 339,438	\$ 334,577

See accompanying notes to financial statements.

AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH

STATEMENTS OF CASH FLOWS

	December 31,	
	1995	1994
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net income	\$ 22,466	\$ 20,860
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	47,536	40,324
Changes in assets and liabilities:		
(Increase) decrease in receivables	(17,876)	(28,751)
(Increase) decrease in prepaid expenses	(9,697)	( 29)
Increase (decrease) in accounts payable	2,281	1,643
Increase (decrease) in accrued liabilities	( 4,482)	( 1,421)
Net cash provided by operating activities	41,250	28,622
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Proceeds disposition of capital assets	11,294	-
Acquisition of capital assets	(124,883)	(72,822)
Net cash used for capital and related financing activities	(113,589)	(72,822)
Net increase(decrease) in cash and cash equivalents	(72,339)	(44,199)
Cash and cash equivalents at beginning of year	318,709	362,908
Cash and cash equivalents at end of year	\$ 246,370	\$ 318,709

See accompanying notes to financial statements.

AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH

NOTES TO FINANCIAL STATEMENTS

INTRODUCTION

Ambulance Service District No. 1 of Lafourche Parish was created by the Police Jury of the Parish of Lafourche on November 22, 1978. The district covers the area of Lafourche Parish served by Hospital Service District No. 1 of Lafourche Parish (north ward of Lafourche Parish). The Ambulance District was created to own and operate ambulances for the care and transportation of persons suffering from illness, injury or disabilities which require ambulance care.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PRESENTATION

The financial statements of the Ambulance Service District No. 1 of Lafourche Parish have been prepared in conformity with generally accepted accounting principles as applied to government units. The governing accounting standards board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

3. REPORTING ENTITY

Government Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the reporting entity for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the Parish to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Parish.
2. Organizations for which the Parish does not appoint a voting majority but are fiscally dependent on the Parish.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.



AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH

NOTE TO FINANCIAL STATEMENTS  
(continued)

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Because the Lafourche Parish Council appoints all members of the district's governing board it has the ability to impose its will on the District, and therefore the Ambulance District was determined to be a component unit of Lafourche Parish. The accompanying financial statements present information only on the funds maintained by the Ambulance District and do not present information on Lafourche Parish, the general government services provided by that government unit, or the other governmental units that comprise the financial reporting entity.

3. FUND ACCOUNTING

The ambulance district's accounts are organized on the basis of funds and account groups, each of which is 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, or expenses, as appropriate. The ambulance district has no account groups, and one fund, an enterprise fund, which is described as follows:

ENTERPRISE FUND

The enterprise fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a cost-recovery basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

4. FIXED ASSETS

Property and equipment are recorded at cost, and depreciation is computed on all depreciable fixed assets thereon under the straight-line method of depreciation based on the estimated useful lives of the individual assets. Public domain or infrastructure are not capitalized. Depreciation is charged as an expense to operations. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH

NOTES TO FINANCIAL STATEMENTS  
(continued)

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3. BASIS OF ACCOUNTING

Basis of Accounting refers to when revenues and expenditures (or expenses) are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The accrual basis of accounting is followed in recording revenues and expenses in the Ambulance District's only fund (an enterprise fund). Under the accrual basis of accounting revenues are recognized when they are earned and expenses are recognized when incurred.

4. BUDGET PRACTICES

The budget practices of the ambulance district are prescribed by the Louisiana Local Government Budget Act. The act requires the district to have the budget completed and available for public inspection no later than fifteen days prior to the beginning of each fiscal year.

The ambulance district prepares a budget for its fund. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP).

Amendments to the budget must be approved by the board.

Appropriations which are not expended lapse at year end.

Encumbrance accounting is not utilized by the ambulance district.

5. CASH

Cash includes demand deposits in banks and are recorded at cost plus accrued interest.

R.S. 38:1271 and 38:1955 authorize the ambulance district to invest in United States bonds, treasury notes, certificates of deposit of state banks organized under the laws of Louisiana and national banks having the principal office in the state of Louisiana or any other federally insured investment, or in mutual or trust fund institutions which are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the United States government or its agencies, or any other investment allowed by R.S. 38:1955.

AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH

NOTES TO FINANCIAL STATEMENTS  
(CONTINUED)

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

8. CASH AND CASH EQUIVALENTS

For purposes of the statement of cash flows, the company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

9. REVENUE RECOGNITION - PROPERTY TAXES

Ad Valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January and February. Ad Valorem taxes (which are based on population and homesteads in the parish) are recorded in the year the taxes are levied. The Lafourche Parish Tax collector bills and collects taxes for the district.

10. ALLOWANCE FOR DOUBTFUL ACCOUNTS

The allowance for doubtful accounts is maintained at an amount which presents accounts receivable at their realizable value. Receivables are written off against the allowance for doubtful accounts in the year the accounts are determined to be uncollectible.

11. COMPENSATED ABSENCES

Compensated absences (vacation leave and sick pay) are accounted for in accordance with FASB 43. FASB 43 requires an employer to accrue a liability for employees' compensation for future absences if all of the following conditions are met:

- A) The employer's obligation relating to employees' rights to receive compensation for future absences is attributable to employees' services already rendered.
- B) The obligation relates to rights that vest or accumulate.
- C) Payment of the compensation is probable, and
- D) The amount can be reasonably estimated.

The ambulance district does not accrue a liability for compensated absences because they do not accumulate or vest.

NOTE B - Cash

At December 31, 1995 and 1994, the carrying amount of the ambulance district's cash was \$213,658 and \$258,799, respectively, and the bank balance was \$248,323 and \$340,962, respectively. The entire bank balance was covered by federal depository insurance or by collateral held by the ambulance district's agent in the ambulance district's name.

AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH

NOTES TO FINANCIAL STATEMENTS  
(Continued)

NOTE C - PROPERTY, PLANT AND EQUIPMENT

A summary of property and equipment at December 31, 1995 and 1994 is as follows:

	Estimated life in years	December 31,	
		1995	1994
Buildings	15-30	\$268,120	\$170,523
Vehicles (Ambulances)	5	154,628	138,848
Furniture and Equipment			
Furniture and Fixtures	5-8	38,740	30,790
Medical Equipment	5-8	44,059	44,931
Communication Equipment	5-8	18,894	27,476
Other Equipment	5-8	<u>3,322</u>	<u>8,953</u>
		503,848	424,142
Accumulated Depreciation		<u>187,677</u>	<u>184,248</u>
		<u>\$316,171</u>	<u>\$239,894</u>

Depreciation expense charged to operations for the years ended December 31, 1995 and 1994 were \$47,638 and \$40,314 respectively.

The following changes occurred in the property and equipment account:

	1995	1994
Balance (Cost) January 1	\$424,142	\$353,330
Additions	184,885	72,812
Deletions	<u>(182,856)</u>	<u>(72,812)</u>
Balance (Cost) December 31	<u>\$426,171</u>	<u>\$353,330</u>

NOTE D - JUDGMENTS, CLAIMS, AND SIMILAR CONTINGENCIES

The ambulance district is defendant in a lawsuit. The amount of liability, if any, cannot be determined at this time by legal counsel for the district.

AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH

NOTE TO FINANCIAL STATEMENTS  
(Continued)

NOTE E - PENSION PLAN

During 1991 the district established a plan under Section 4080 of the Internal Revenue Code. Employees are automatically enrolled in the 408 (Small Employer Pension) or 408 (K) type plan after three (3) years of continuous full-time service. Lafourche Ambulance District's contribution rate will be set by the Board of Commissioners annually. The rate will be based on the employee's gross earnings. The employee is allowed to contribute an amount up to, but not to exceed, fifteen (15%) percent of his/her gross earnings when combined with the employer's contribution. Employee contributions are allowed after one year of full-time service. Employees are 100% vested at the time of their enrollment.

SPECIFIC PROVISIONS

1. Full-time employees are eligible upon completion of three (3) years of uninterrupted service. Leaves of absence or other non-paid leave does not count toward accumulation of seniority.
2. Employee contributions will be calculated on a percentage of the employee's gross earnings on a pre-taxed basis.
3. Contributions will begin the month following the employee's third anniversary date.
4. Other regulations governing options such as premature withdrawals and changes in contribution rates, etc. are specified in the original contract.
5. The employer's contribution rate was five (5) percent of gross wages of qualifying employees for 1993 and 1994.
6. Other than its contribution made to the participants' accounts and recorded as expenditures, the district does not guarantee benefits under the plan.
7. All amounts are maintained in each individual's account administered by an insurance company.

The total payroll for the year 1993 was \$407,306 of which \$264,513 was covered by the plan. For 1993, the district's contribution was \$18,326 (5% of covered payroll). Employee contributions to the plan amounted to \$18,174 for 1993.

The total payroll for the year 1994 was \$372,386 of which \$200,604 was covered by the plan. For 1994, the district's contribution was \$10,430 (5% of covered payroll). Employee contributions to the plan amounted to \$17,460 for 1994.

AMBULANCE SERVICE DISTRICT No. 1  
OF LAFOURCHE PARISH

NOTES TO FINANCIAL STATEMENTS  
(continued)

NOTE F - CONTRACTUAL AGREEMENTS

During the year the Ambulance District was party to an intergovernmental agreement with Fire Protection District No. 3 of Lafourche Parish. The Fire District provides communication services, including dispatching of calls, on a twenty-four hour a day basis, seven days a week for the Ambulance District at a fee of \$5,000 per quarter.

SUPPLEMENTARY INFORMATION

AMBULANCE SERVICE DISTRICT NO. 1  
OF LAPOURCHE PARISH  
SCHEDULE 1  
SCHEDULE OF PER DIEM PAID COMMISSIONERS  
For the year ended December 31, 1995

No per diem were paid to commissioners

See accompanying notes to financial statement.



AMBULANCE SERVICE DISTRICT NO. 1  
OF LAPOURCHE PARISH

STATEMENTS OF REVENUES, EXPENSES AND  
CHANGES IN RETAINED EARNINGS  
BUDGET (GAAP BASIS) AND ACTUAL

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<b>OPERATING REVENUES:</b>			
Charges for Services-Ambulance	\$ 610,000	\$ 736,767	\$126,767
Other	-	712	712
Total operating revenues	<u>610,000</u>	<u>737,479</u>	<u>127,479</u>
<b>OPERATING EXPENSES:</b>			
Advertising	1,700	950	750
Contractual services	23,600	23,715	(115)
Depreciation	47,535	47,535	-
Books and subscriptions	800	898	258
Fuel	4,500	5,293	[1,493]
Insurance - general	52,000	43,916	4,884
Insurance - medical	35,000	28,742	6,258
Medical supplies	14,000	14,349	[2,349]
Miscellaneous expenses	3,800	4,374	[1,574]
Office and general supplies	5,500	7,203	[1,703]
Payroll taxes and retirement	47,800	54,070	[7,270]
Postage	800	1,449	[549]
Professional fees	4,300	3,858	442
Provision for uncollectible receivables	300,000	300,000	( 0.000)
Repairs and maintenance	12,800	22,098	[10,098]
Salaries	187,000	407,106	[10,106]
Telephone	5,800	8,712	[3,712]
Travel and training	1,750	2,811	[861]
Utilities	880	1,133	[633]
Utilities	<u>1,580</u>	<u>10,422</u>	<u>[2,922]</u>
Total operating expenses	<u>888,235</u>	<u>106,712</u>	<u>[128,786]</u>
Operating income (loss)	<u>\$ (278,235)</u>	<u>\$ (327,233)</u>	<u>\$ (49,002)</u>

AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH

STATEMENTS OF REVENUES, EXPENSES AND  
CHANGES IN RETAINED EARNINGS  
BUDGET (GAAP BASIS) AND ACTUAL  
(CONTINUED)

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
NONOPERATING REVENUES:			
Millage tax, net of assessor's fees of \$ 8,381 in 1996 and \$ 8,250 in 1994	\$ 248,500	\$ 267,322	\$ 18,822
Investment income	<u>18,000</u>	<u>12,888</u>	<u>2,508</u>
Total nonoperating revenues	<u>266,500</u>	<u>279,700</u>	<u>23,200</u>
Net income	2,368	23,486	19,921
Retained earnings, beginning of year	<u>221,251</u>	<u>221,251</u>	<u>-</u>
Retained earnings, end of year	<u>\$ 224,326</u>	<u>\$ 244,447</u>	<u>\$ 19,921</u>

A PROFESSIONAL CORPORATION

P.O. BOX 900

Lafayette, LA 70503

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

Board of Commissioners  
Ambulance Service District No. 1  
of Lafourche Parish

I have audited the general purpose financial statements of AMBULANCE SERVICE DISTRICT NO. 1 of LAFOURCHE PARISH, component unit of Lafourche Parish, as of and for the year ended December 31, 1990, and have issued my report thereon dated June 29, 1991.

I have 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 general purpose financial statements are free of material misstatement.

The management of AMBULANCE SERVICE DISTRICT NO. 1 OF LAFOURCHE PARISH 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, and 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. 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.

AMBULANCE SERVICE DISTRICT NO. 1  
OF LAFOURCHE PARISH

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS  
(continued)

In planning and performing my audit of the general purpose financial statements of the AMBULANCE SERVICE DISTRICT NO. 1 OF LAFOURCHE PARISH for the year ended December 31, 1993, 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 general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

My 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 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 the risk that errors and irregularities in amounts that would be material in relation to the general purpose 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 structure and its operation that I consider to be material weaknesses as defined above.

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



Aldon G. Mohl, Jr.  
Certified Public Accountant

June 28, 1994