

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A fund is a separate accounting entity with a self-balancing set of accounts. In 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.

Governmental Fund

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

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 resources 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. Under the modified accrual basis of accounting, revenues are recognized when 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. Federal grants are recorded when the program is entitled to the funds. Expenditures are recorded when the related fund liability is incurred.

D. Budgets

The program director develops a budget for operation of the program based upon the number of approved residential units to be funded. The greater approves the number of units, the total grant funds, and the allocation of expenditures between administrative and housing assistance payments.

The budget is prepared on a basis which is consistent with generally accepted accounting principles.

The program does not utilize encumbrance accounting.

This report is intended for the information of management, the finance committee of the St. Mary Parish Council, federal regulatory agencies, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record, and its distribution is not limited.



CERTIFIED PUBLIC ACCOUNTANTS

March 28, 1997

ST. MARY PARISH HOUSING PROGRAM

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE  
For the Year Ended September 30, 1978

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME/ PROGRAM TITLE	CFDA NUMBER	REVENUE	EXPENDITURES
U.S. Department of Housing and Urban Development Housing - Federal Housing Commissioner			
Section 8 Rental Voucher Program	14.855	\$ 73,371	\$ 72,920
* Section 8 Rental Certificate Program	14.853	501,854	499,790
*Home Disaster Relief Program	14.239	<u>732,823</u>	<u>732,145</u>
Total U.S. Department of Housing and Urban Develop- ment		<u>\$1,308,048</u>	<u>\$1,304,855</u>

\*Denotes major program



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE BASED  
ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH EXTERNAL AUDITING STANDARDS**

Mr. Jim Firmin, Administrator  
St. Mary Parish Housing Program  
Morgan City, Louisiana

We have audited the general purpose financial statements and the combining individual and financial statements of St. Mary Parish Housing Program, a component unit of the St. Mary Parish Council, as of and for the year ended September 30, 1986, and have issued our report thereon dated March 26, 1987.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of St. Mary Parish Housing Program 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.

In planning and performing our audit of the general purpose financial statements of St. Mary Parish Housing Program for the year ended September 30, 1996, 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 financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a 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. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

A similar letter dated May 23, 1996 for the year ended September 30, 1995, disclosed one reportable condition. This condition was corrected during the year.

This report is intended for the information of management, the finance committee of the St. Mary Parish Council, federal regulatory agencies, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.



CERTIFIED PUBLIC ACCOUNTANTS

March 26, 1997

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

Mr. Jim Farris, Administrator  
St. Mary Parish Housing Program  
Bogalusa City, Louisiana

We have audited the general purpose financial statements and the combining individual fund financial statements of St. Mary Parish Housing Program, a component unit of the St. Mary Parish Council, as of and for the year ended September 30, 1996, and have issued our report thereon dated March 26, 1997. We have also audited the compliance of St. Mary Parish Housing Program, with requirements applicable to major federal financial assistance programs and have issued our report thereon dated March 26, 1997.

We conducted our audits 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 Circular A-133, "Audits of State and Local Governments". These standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement and about whether St. Mary Parish Housing Program complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing our audits for the year ended September 30, 1996, we considered the internal control structure of St. Mary Parish Housing Program in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements of St. Mary Parish Housing Program and on the compliance of St. Mary Parish Housing Program with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-133. 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 26, 1997.

ST. MARY PARISH HOUSING PROGRAM  
CERTAIN SPECIAL REVENUE FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
(SECTION 5 HOUSING - THE ENTITY'S ONLY SELECTED FUND)  
For the Year Ended September 30, 1994

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Federal grant	3021,300	3078,100	\$56,800
Expenditures:			
Health and welfare			
housing assistance payments	919,900	496,535	423,365
Administrative costs	78,465	78,375	90
Total expenditures	998,365	574,910	423,455
Excess of revenue over expenditures	--	1,655	1,655
Fund balance at beginning of year	1,558	12,186	10,628
Fund balance at end of year	\$1,558	\$13,841	\$12,283

The accompanying notes are an integral part of these financial statements.



**INDEPENDENT AUDITORS' REPORT ON SCHEDULE OF  
FEDERAL FINANCIAL ASSISTANCE**

Mr. Jim Firmin, Administrator  
St. Mary Parish Housing Program  
Morgan City, Louisiana

We have audited the general purpose financial statements and the combining individual fund financial statements of St. Mary Parish Housing Program, a component unit of the St. Mary Parish Council, as of and for the year ended September 30, 1998, and have issued our report thereon dated March 26, 1997. These financial statements are the responsibility of St. Mary Parish Housing Program's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, "Audits of State and Local Governments". Those standards and OMB Circular A-133 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 accounts 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 conducted for the purpose of forming an opinion on the general purpose financial statements and the combining individual fund financial statements of St. Mary Parish Housing Program 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 general purpose financial statements. The information in that 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.

March 28, 1997





**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE BASED ON AN AUDIT OF  
GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Mr. Jim Firmin, Administrator  
St. Mary Parish Housing Program  
Morgan City, Louisiana

We have audited the general purpose financial statements and the combining individual fund financial statements of St. Mary Parish Housing Program, a component unit of the St. Mary Parish Council, as of and for the year ended September 30, 1996, and have issued our report thereon dated March 26, 1997.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to St. Mary Parish Housing Program is the responsibility of St. Mary Parish Housing Program's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of St. Mary Parish Housing Program's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

A similar letter issued by us dated May 21, 1996 for the year ended September 30, 1995, reported one instance of material noncompliance, which was corrected during 1996.

The management of the St. Mary Parish Housing Program 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, 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.

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

##### General procedures

Cash

Revenue, receivables, and receipts - governmental funds

Expenditures for goods and services and accounts payable

Grant and similar programs

#### FEDERAL PROGRAM ADMINISTRATIVE CONTROLS

##### General requirements

Political activity

Deeds-Sacos Act

Civil Rights

Cash management

Relocation assistance and real property acquisition

Federal financial reports

Allowable costs/cost principles

Administrative requirements



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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
WITH SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR  
FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

Mr. Jim Firmin, Administrator  
St. Mary Parish Housing Program  
Bogren City, Louisiana

We have audited the general purpose financial statements and the combining individual fund financial statements of the St. Mary Parish Housing Program as of and for the year ended September 30, 1998 and have issued our report thereon dated March 28, 1997.

We have also audited the St. Mary Parish Housing Program's compliance with the requirements governing eligibility; special reporting requirements; procedures to review contract rent and utility allowances; computation of administrative fees; procedures to annually adjust contract rents and tenant utility allowances, upon request from the owner; procedures to notify tenants of utility allowance adjustments; procedures to inspect the project and review its operation at least annually; procedures to conduct an initial and annually thereafter inspection of units; procedures to insure that rental rehabilitation units have been made available to a Section 8 Housing Program; allowable costs; administrative and planning cost and income targeting that are applicable to each of its major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance, for the year ended September 30, 1998. The management of the St. Mary Parish Housing Program is responsible for the St. Mary Parish Housing Program's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance with those requirements 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 Circular A-133, "Audits of State and Local Governments". Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the St. Mary Parish Housing Program's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the St. Mary Housing Program complied, in all material respects, with the requirements governing eligibility; special reporting requirements; procedures to review contract rent and utility allowances; computation of administrative fees; procedures to annually adjust contract rents and tenant utility allowances, upon request from the owner; procedures to notify tenants of utility allowance adjustments; procedures to inspect the project and review its operation at least annually; procedures to conduct an initial and annually thereafter inspection of units; procedures to insure that rental rehabilitation units have been made available to a Section 8 Housing Program; allowable costs; administrative and planning cost and income targeting that are applicable to each of its major Federal financial assistance programs for the year ended September 30, 1984.

This report is intended for the information of the Finance Committee of the St. Mary Parish Council, Federal regulatory agencies, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record, and its distribution is not limited.



CERTIFIED PUBLIC ACCOUNTANTS

March 28, 1985



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH THE  
GENERAL REQUIREMENTS APPLICABLE TO FEDERAL  
FINANCIAL ASSISTANCE PROGRAMS**

Jim Firmin, Administrator  
St. Mary Parish Housing Program  
Morgan City, Louisiana

We have audited the general purpose financial statements and the combining individual fund financial statements of the St. Mary Parish Housing Program, a component unit of the St. Mary Parish Council, as of and for the year ended September 30, 1996, and have issued our report thereon dated March 26, 1997.

We have applied procedures to test St. Mary Parish Housing Program's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended September 30, 1996: political activity, Davis-Bacon Act, civil rights, cost management, relocation assistance and real property acquisition, federal financial reports, allowable costs/cost principles, and 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 St. Mary Parish Housing Program'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 these 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 St. Mary Parish Housing Program had not complied, in all material respects, with these requirements.

This report is intended for the information of management, the Finance Committee of the St. Mary Parish Council, federal regulatory agencies, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record, and its distribution is not limited.



Peter F. Martin  
CERTIFIED PUBLIC ACCOUNTANTS

March 26, 1997



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SPECIFIC  
REQUIREMENTS APPLICABLE TO MAJOR FEDERAL FINANCIAL  
ASSISTANCE PROGRAM TRANSACTIONS

Mr. Jim Firmin, Administrator  
St. Mary Parish Housing Program  
Morgan City, Louisiana

We have audited the general purpose financial statements and the combining individual fund financial statements of the St. Mary Parish Housing Program, a component unit of the St. Mary Parish Council, as of and for the year ended September 30, 1996, and have issued our report thereon dated March 20, 1997.

In connection with our audit of the general purpose financial statements of the St. Mary Parish Housing Program, and with our consideration of the St. Mary Parish Housing Program's control structure used to administer federal financial assistance programs, as required by Office of Management and Budget Circular E-128, "Audits of State and Local Governments," we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended September 30, 1996. As required by OMB Circular E-128, we have performed auditing procedures to test compliance with the requirements governing eligibility; special reporting requirements; procedures to review contract rent and utility allowances; computation of administrative fees; procedures to annually adjust contract rents and tenant utilities allowances, upon request from the owner; procedures to notify tenants of utility allowance adjustments; procedures to inspect the project and review its operation at least annually; procedures to conduct an initial and annually thereafter inspection of units, 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 St. Mary Parish Housing Program'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 St. Mary Parish Housing Program, had not complied, in all material respects, with these requirements.

This report is intended for the information of management, the finance committee of the St. Mary Parish Council, Federal regulatory agencies, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record, and its distribution is not limited.



CERTIFIED PUBLIC ACCOUNTANTS

March 26, 1997



Specific requirements

Eligibility

Special reporting requirements

Procedures to review contract rent and utility allowances

Computation of administrative fee

Procedures to annually adjust contract rents and tenant utility allowances, upon request from the owner

Procedures to notify tenants of utility allowance adjustments

Procedures to inspect the project and review its operation at least annually

Procedures to conduct an initial and annually thereafter inspection of units

Procedures to insure that rental rehabilitation units have been made available to a Section 8 Housing Program

Allowable costs

Administrative and planning cost

Income targeting

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 September 30, 1996, the St. Mary Parish Housing Program expended 94% of its total federal financial assistance under major federal financial assistance programs.

We performed tests of controls, as required by OMB 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 each of St. Mary Parish Housing Program's major federal financial assistance programs which are identified in the accompanying Schedule of Federal Financial Assistance. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. 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 constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to 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 operations that we consider to be material weaknesses as defined above.

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MAY 11 1986

ST. MARY PARISH HOUSING PROGRAM  
STATE OF LOUISIANA

Annual Component Unit Financial Statements  
with Independent Auditors' Report

and

Independent Auditors' Reports on Federal Financial  
Assistance, Internal Accounting Control,  
and Compliance

For the Year Ended September 30, 1986

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the auditor, or messenger, and shall be made available to the public upon request at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date: APR 14 1987



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INDEPENDENT AUDITORS' REPORT

Mr. Jim Firmin, Administrator  
St. Mary Parish Housing Program  
Morgan City, Louisiana

We have audited the accompanying general purpose financial statements and the combining individual fund financial statements of the St. Mary Parish Housing Program, a component unit of the St. Mary Parish Council, as of September 30, 1994, and for the year then ended as listed in the table of contents. These financial statements are the responsibility of the St. Mary Parish Housing Program's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget Circular A-134, "Audits of State and Local Governments". These 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.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the St. Mary Parish Housing Program, as of September 30, 1994, and the results of its operations for the year then ended in conformity with generally accepted accounting principles. Also, in our opinion, the combining individual fund financial statements referred to above present fairly, in all material respects, the financial position of each of the individual funds of the St. Mary Parish Housing Program, as of September 30, 1994, and the results of operations of such funds for the year then ended, in conformity with generally accepted accounting principles.

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A similar letter issued by us for the year ended September 30, 1995, dated May 23, 1996 reported one reportable condition in relation to the federal financial assistance programs of the St. Mary Parish Housing Program. This reportable condition was corrected during the year.

This report is intended for the information of management, the finance committee of the St. Mary Parish Council, federal regulatory agencies, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record, and its distribution is not limited.



CERTIFIED PUBLIC ACCOUNTANT

March 26, 1997

FEDERAL FINANCIAL ASSISTANCE, INTERNAL ACCOUNTING  
CONTROL, AND COMPLIANCE

In accordance with Government Auditing Standards, we have also issued a report dated MARCH 28, 1997, on our consideration of the St. Mary Parish Housing Program's internal control structure and a report dated March 28, 1997, on its compliance with laws and regulations.



CERTIFIED PUBLIC ACCOUNTANTS

March 28, 1997

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ST. MART PARISH HOUSING PROGRAM

Condensed Statement of REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
For the Year Ended September 30, 1996

	<u>Governmental Fund Type Special Revenue Funds</u>
Revenues:	
Federal grants	\$1,306,384
Total revenues	1,306,384
Expenditures:	
Health and welfare	
Housing assistance payments	480,530
Administrative costs	180,710
Construction/maintenance	<u>612,584</u>
Total expenditures	1,274,824
Excess of revenue over expenditures	1,540
Fund balance at beginning of year	18,333
Fund balance at end of year	<u>\$1,293,773</u>

The accompanying notes are an integral part of these financial statements.

ST. MARY PARISH HOUSING PROGRAM  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 1986

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The St. Mary Parish Housing Program administers housing assistance programs. The Section 8 Housing Program covers all of St. Mary Parish, including Morgan City and the Home Disaster Relief Program covers all of St. Mary Parish.

The Home Disaster Relief Program was created by Congress and the President in part in response to damage caused by Hurricane Andrew. The objective of St. Mary Parish in implementing this program is to assist low-moderate income families in the Parish with their efforts to recover from the damages and effects of Hurricane Andrew.

The financial statements of the St. Mary Parish Housing Program have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below:

A. Reporting Entity

In evaluating how to define the governmental unit, for financial reporting purposes, consideration has been given to the following criteria as set forth in GAAP:

- a. Financial benefit or burden
- b. Appointment of a voting majority
- c. Imposition of will
- d. Fiscally dependent

Based upon the above criteria, the Program is a component unit and integral part of St. Mary Parish (the primary government.)

These financial statements include only the operations of the Program.

B. Fund Accounting

The Program 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.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The annual budget is prepared for the Home Disaster Relief Program due to the nature of the program which is to perform major repairs or reconstruction on eligible housing units. This Program has a total project length budget, but it is not allocated to separate fiscal periods.

**E. Cash and Cash Equivalents**

For financial statements purposes, cash and cash equivalents include demand deposits.

Cash and cash equivalents are stated at cost, which approximates market.

**F. Fixed Assets**

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisitions are reflected as expenditures in governmental funds and the related assets are reported in the general fixed assets account group. Fixed assets are valued at cost.

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.

**G. Risk Management**

The Program is exposed to various risks of loss related to torts and errors or omissions. The Corporation contracted to administer the program carries insurance to substantially cover all risk of the Program.

**H. Memorandum only - Total Column**

Total columns of the financial 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, results of operations or changes in financial position in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation.

**NOTE 2 - CASH AND CASH EQUIVALENTS**

At year end, the carrying amount of the Program's cash and cash equivalents was \$373,083 and the bank balance was \$428,325.

Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the Federal deposit insurance must at all times equal the amount on deposit with the bank. These pledged securities are held in the name of the pledging bank in a restricted bank that is mutually acceptable to the parties involved.

**NOTE 2 - CASH AND CASH EQUIVALENTS (cont'd)**

Under the provision of the Governmental Accounting Standards Board (GASB) codification, accounts secured by pledged securities which are not in the name of the governmental unit are considered uncollateralized.

The following is a summary of the cash and cash equivalents, federal deposit insurance, and pledged securities as of September 30, 1990:

Cash and cash equivalents - stated value	<u>\$175,000</u>
Cash and cash equivalents - bank balance	426,226
Portion insured by federal deposit insurance	180,800
Collateralized by securities in the Program's name held by the Program or its agent	<u>NONE</u>
Balance uninsured and uncollateralized under GASB codification	245,426
Portion of deposits secured under Louisiana law	<u>226,226</u>
Amount uninsured under Louisiana law	<u>NONE</u>

**NOTE 3 - CONTINGENCIES**

Amounts received from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed expenditures may constitute a liability of the Program. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time; although, management of the Program believes disallowances, if any, to be immaterial.

**NOTE 4 - FIXED ASSETS**

A summary of the Program's fixed assets at September 30, 1990, follows:

	Balance 2/20/75	Additions	Deletions	Balance 9/30/90
Office equipment	\$1,825	---	---	\$1,825
Total	<u>\$1,825</u>	<u>---</u>	<u>---</u>	<u>\$1,825</u>

**NOTE 5 - RELATED PARTY**

The Section 8 Housing Program and the Home Disaster Relief Program are administered by a management company. The company employs all of the inspectors and administrative personnel and bills each Program periodically. During the year, the Company advanced the Home Disaster Relief Program funds for operations, pending reimbursement of grant funds. As September 30, 1990, the outstanding loan payable to the company was \$18,000.

COMBINING INDIVIDUAL FUND FINANCIAL STATEMENTS

ST. MARY PARISH HOUSING PROGRAM  
SPECIAL REVENUE FUNDS  
September 30, 1998

SECTION 8 HOUSING PROGRAM

The St. Mary Parish Housing Program administers the Housing assistance program for the Parish of St. Mary, including Morgan City

HOME DISASTER RELIEF PROGRAM

The Home Disaster Relief Program assists primarily low to moderate income families in the Parish with their efforts to recover from the damages and effects of Hurricane Andrew.

ST. MARY PARISH INCUBING PROGRAM  
SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET  
September 30, 1996

	Section 8 <u>Revolving</u>	Home Quarter <u>Relief</u>	<u>Total</u>
<b>ASSETS:</b>			
Cash	\$ 160,566	\$ 2,498	\$ 163,064
Due from HUD	4,821	166,113	170,934
Other Receivable	<u>2,818</u>	<u>          </u>	<u>2,818</u>
Total assets	\$ <u>168,205</u>	\$ <u>168,611</u>	\$ <u>336,816</u>
<b>LIABILITIES AND EQUITY:</b>			
<b>Liabilities:</b>			
Accounts payable		\$ 64,860	\$ 64,860
Contracts payable		26,420	26,420
Retainage payable		5,122	5,122
Due to HUD	1162,236		1162,236
Loan payable	<u>          </u>	<u>10,880</u>	<u>10,880</u>
Total liabilities	1162,236	102,282	1264,518
<b>Equity:</b>			
Fund balance	<u>13,761</u>	<u>4,814</u>	<u>18,575</u>
Total equity	<u>13,761</u>	<u>4,814</u>	<u>18,575</u>
Total liabilities and equity	\$ <u>1176,000</u>	\$ <u>107,096</u>	\$ <u>1283,096</u>

The accompanying notes are an integral part of these financial statements.

ST. MART PARISH HOUSING PROGRAM  
SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED SEPTEMBER 30, 1994

	Section 8 <u>Housing</u>	Home Disaster <u>Relief</u>	<u>Totals</u>
<b>Revenues:</b>			
Federal grant	<u>5574,365</u>	<u>5752,608</u>	<u>11,326,973</u>
Total revenues	<u>5574,365</u>	<u>5752,608</u>	<u>11,326,973</u>
<b>Expenditures:</b>			
Health and welfare			
Housing assistance payments	<u>496,535</u>		<u>496,535</u>
Administrative costs	<u>76,275</u>	<u>119,568</u>	<u>195,735</u>
Construction/maintenance	<u>          </u>	<u>612,584</u>	<u>612,584</u>
Total expenditures	<u>572,810</u>	<u>732,152</u>	<u>1,304,962</u>
Excess of revenues over expenditures	<u>1,855</u>	<u>115</u>	<u>1,970</u>
Fund balance at beginning of year	<u>12,369</u>	<u>4,125</u>	<u>16,494</u>
Fund balance at end of year	<u>14,224</u>	<u>4,240</u>	<u>18,464</u>

The accompanying notes are an integral part of these financial statements.



## ST. BARTS PARISH REVENUE PROGRAM

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
September 30, 1996

	Governmental Fund Type Special Revenue Funds	Account Group General Fixed Assets	Total (Memorandum Only)
<b>ASSETS:</b>			
Cash	\$372,866		2372,866
Due from SBO	109,538		109,538
Other receivables	2,919		2,919
Fixed assets	-----	\$1,825	1,825
<b>Total assets</b>	<b>\$485,313</b>	<b>\$1,825</b>	<b>\$487,138</b>
<b>LIABILITIES AND EQUITY:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 84,060		\$ 84,060
Contracts payable	24,420		24,420
Retainage payable	5,122		5,122
Due to SBO	262,236		262,236
Loans payable	19,880	-----	19,880
<b>Total liabilities</b>	<b>405,718</b>	<b>-----</b>	<b>405,718</b>
<b>Equity:</b>			
Investments in general fixed assets		\$1,825	1,825
Fund balance	17,705	-----	17,705
<b>Total equity</b>	<b>17,705</b>	<b>1,825</b>	<b>19,530</b>
<b>Total liabilities and equity</b>	<b>\$483,513</b>	<b>\$1,825</b>	<b>\$485,338</b>

The accompanying notes are an integral part of these financial statements.