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**HOUSING AUTHORITY OF EAST BATON ROUGE PARISH  
BATON ROUGE, LOUISIANA**

**GENERAL PURPOSE FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS REPORTS  
AS OF AND FOR THE YEAR ENDED SEPTEMBER 30, 1996  
WITH SUPPLEMENTAL INFORMATION SCHEDULES**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or reviewed, and by public officer 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.

Reference is made to **MSA 7-9-1966**.

**WILLIAM HARVEY MCCASSELL, CPA**  
INDEPENDENT ACCOUNTING CORPORATION  
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27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40

TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT

EXHIBITS -- FINANCIAL STATEMENTS

- A COMBINED BALANCE SHEET AT SEPTEMBER 30, 1990, ALL FUND TYPES AND ACCOUNT GROUPS
- B COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--FOR THE YEAR ENDED SEPTEMBER 30, 1990
- C COMBINED STATEMENT OF REVENUES, EXPENDITURES, A AND CHANGES IN FUND BALANCES--BUDGET (GAAP BASIS) AND ACTUAL--GENERAL AND SPECIAL REVENUE FUNDS

NOTES TO THE FINANCIAL STATEMENTS

SUPPLEMENTARY INFORMATION SCHEDULES--GAAP BASIS

- I SPECIAL REVENUE FUNDS--COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
- II SPECIAL REVENUE FUNDS--COMBINING BALANCE SHEET
- III CAPITAL PROJECT FUNDS--COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
- III SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

SUPPLEMENTARY INFORMATION SCHEDULES--STATUTORY BASIS

- IV BALANCE SHEET--STATUTORY BASIS
- V STATEMENT OF REVENUES AND EXPENDITURES--STATUTORY BASIS--ANNUAL CONTRIBUTIONS CONTRACT PW-1281
- VI STATEMENT OF REVENUES AND EXPENDITURES--STATUTORY BASIS--ANNUAL CONTRIBUTIONS CONTRACT PW-1281
- VII ANALYSIS OF SURPLUS--STATUTORY BASIS--HHS PROGRAMS

VIII PMA'S STATEMENT AND CERTIFICATION OF ACTUAL  
COSTS PROJECTS LA487SP0018193 &  
LA48DEP0018193--STATUTORY BASIS

SUPPLEMENTARY INFORMATION SCHEDULES--STATUTORY BASIS--COMPONENT  
UNIT

IX COMPONENT UNIT STATEMENT OF ASSETS, LIABILITIES AND FUND  
BALANCES -- BAYON ROUGE HOUSING DEVELOPMENT CORPORATION-- HUD  
REGULATORY BASIS OF ACCOUNTING FOR THE YEAR END  
12-31-92 THROUGH 12-31-94

X COMPONENT UNIT STATEMENT OF SUPPORT, REVENUE AND EXPENSES  
-- BAYON ROUGE HOUSING DEVELOPMENT CORPORATION-- HUD  
REGULATORY BASIS OF ACCOUNTING FOR THE YEAR END  
12-31-92 THROUGH 12-31-94

XI COMPONENT UNIT STATEMENT OF CHANGES IN FUND BALANCES --  
BAYON ROUGE HOUSING DEVELOPMENT CORPORATION-- HUD  
REGULATORY BASIS OF ACCOUNTING FOR THE YEAR END  
12-31-92 THROUGH 12-31-94

INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL STRUCTURE IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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

COMPLIANCE REPORT BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENTAL AUDITING STANDARDS

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

SINGLE AUDIT REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO  
NONMAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS

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

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

STATUS OF PRIOR AUDIT FINDINGS

SCHEDULE OF ADJUSTING JOURNAL ENTRIES

FINDINGS AND RECOMMENDATIONS

MANAGEMENT LETTER

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FORM  
GENERAL ACCOUNT OF CPA  
REGISTERED ACCOUNT OF CPA  
REGISTERED ACCOUNT OF CPA

**INDEPENDENT AUDITORS' REPORT**

**BOARD OF COMMISSIONERS**  
**HOUSING AUTHORITY OF EAST BATON ROUGE PARISH**  
**BATON ROUGE, LOUISIANA 70806**

I have audited the accompanying general purpose financial statements of the Housing Authority of East Baton Rouge Parish (PARA) as of and for the year ended September 30, 1998, as listed in the foregoing table of contents. These general purpose financial statements are the responsibility of the PARA's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards: Government Auditing Standards, issued by the U.S. Comptroller General, and provisions of the Office of Management and Budget (OMB), Circular A-128, Audits of State and Local Governments. Those standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatements. 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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Housing Authority of East Baton Rouge Parish as of September 30, 1998, and the results of its operations and changes in its net position for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report dated September 12, 1997 on my consideration of the PMA's internal control structure and a report dated September 17, 1997 on its compliance with laws and regulations.

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying financial information listed as supporting schedules in the table of contents is presented for the purposes of additional analysis and is not a required part of the financial statements of the issuing authority of East Baton Rouge Parish. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole. The accompanying supplemental information is identified as :

A. Supplemental Information Schedules--GAAP basis has been subjected to the procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

b. Supplemental Information Schedules--Regulatory basis, which is on Other Comprehensive Basis of Accounting, has been subjected to the procedures applied in the audit of the general purpose financial statements and, in my opinion, except for the following differences, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole:

	GRAP BASIS	REGULATORY BASIS
<b>Financial Statement Presentation</b>		
Fund Accounting	Used	Not Used
Facilities Acquisition and Construction	Expenditure	Capitalized
Routing Prior Year Adjustments	Beginning Fund Balance Adjustment	Current Expenditure or Receipt
Receipts from Federal Source	Revenue	Credited to Surplus
<b>Basis of Accounting</b>		
Federal Grants for Capital Projects	Modified Accrual	Cash
Interest Expense	Modified Accrual	Accrual
Loss on Disposition of Equipment	Modified Accrual	Accrual

This report is intended solely for the information and use of the Board of Commissioners of the RSA, and for filing with the Department of HUD and should not be used for any other purpose.

  
 William Daniel McLaughlin, CPA  
 A Professional Accounting Corporation

September 12, 1997



Balance Sheet of East Main Ship Yard

As of Dec 31, 1955  
 Balance Sheet of Assets, Liabilities and Equity of the Yard  
 as of the end of December 31, 1955

ASSETS

ASSETS	Cost	Accumulated Depreciation	Net Book Value
Land	1,000.00	0.00	1,000.00
Buildings	1,000.00	1,000.00	0.00
Equipment	1,000.00	1,000.00	0.00
Inventory	1,000.00	0.00	1,000.00
Accounts Receivable	1,000.00	0.00	1,000.00
Prepaid Expenses	1,000.00	0.00	1,000.00
Other Assets	1,000.00	0.00	1,000.00
<b>Total Assets</b>	<b>6,000.00</b>	<b>2,000.00</b>	<b>4,000.00</b>

LIABILITIES

Accounts Payable	1,000.00	0.00	1,000.00
Notes Payable	1,000.00	0.00	1,000.00
Long-Term Debt	1,000.00	0.00	1,000.00
Deferred Income Taxes	1,000.00	0.00	1,000.00
Other Liabilities	1,000.00	0.00	1,000.00
<b>Total Liabilities</b>	<b>5,000.00</b>	<b>0.00</b>	<b>5,000.00</b>

EQUITY

Capital Stock	1,000.00	0.00	1,000.00
Retained Earnings	1,000.00	0.00	1,000.00
Other Equity	1,000.00	0.00	1,000.00
<b>Total Equity</b>	<b>3,000.00</b>	<b>0.00</b>	<b>3,000.00</b>

See notes to financial statements





**THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH  
BATON ROUGE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS**

Housing Authorities are chartered as a public corporation under the laws (LSA-RS 40:791) of the State of Louisiana for the purpose of providing safe and sanitary dwelling accommodations for the residents of Baton Rouge, Louisiana. This creation was contingent upon the local governing body of the city or parish. The PMA is governed by a seven member Board of Commissioners. The members, appointed by the Mayor of Baton Rouge, Louisiana, serve a four year staggered term.

Under the United States Housing Act of 1937, as amended, the US Department of HUD has direct responsibility for administering low rent housing programs in the United States. Accordingly, HUD has entered into an annual contributions contract with the PMA for the purpose of assisting the PMA in financing the acquisition, construction and leasing of housing units and to make annual contributions (subsidies) to the PMA for the purpose of maintaining this low rent character.

The PMA has the following programs under management:

	ACC Number	Number of Units
PMA Owned Housing	PM-1201	1326
Section 8		
Vouchers	PM-2216	384
Existing	PM-2850B	1000
Modernization Rehab	PM-2850NB	25

**NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

**A. BASIS OF PRESENTATION**

The accompanying financial statements of the PMA have been prepared in conformity with GAAP as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

## B. REPORTING ENTITY

GASB Statement Number 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the PMA is legally separate and financially independent by being solely accountable for fiscal matters, including (1) budget authority, (2) responsibility for funding deficits and operating deficiencies, (3) fiscal management for controlling the collection and disbursement of funds, (4) authority to issue debt, the PMA is a separate governmental reporting entity. The PMA includes all funds, account groups, activities that are within the oversight responsibility of the PMA.

Certain units of local government over which the PMA exercised no oversight responsibility, such as the school boards, parish police jury, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate entities and issue financial statements separate from those of the PMA.

## C. FUND ACCOUNTING

The PMA 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 relating to certain government functions or activities.

A fund is a separate accounting entity with a self balancing set of accounts. On the other hand, an account group 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 spendable financial resources.

Funds of the PMA are classified into three categories: governmental and fiduciary. In turn, each category is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

**Governmental Funds**--governmental funds account for all or most of the PMA's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition of construction of general fixed assets, and the servicing of general long term debt. Governmental funds include:

1. General Fund--the general operating fund of the PMA accounts for all financial resources, except those required to be accounted for in other funds.

Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death, while the cost of leave privileges not requiring current resources is recorded in the general long term obligations account group.

Principal and interest on general long term debt are recognized when due.

Substantially all other expenditures are recognized when the related fund liability has been incurred.

Other Financing Sources (Uses)--Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishments, long term debt proceeds, and the like) are accounted for as other financing sources (uses). These other financing sources are recognized at the time the underlying events occur.

Deferred Revenues--The PMA reports deferred revenue on its combined balance sheet. Deferred revenues arise when resources are received by the PMA before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when the PMA has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

## B. BUDGETS

The following summarizes the budget activities of the PMA during the fiscal year:

1. The PMA adopted budgets for the General Fund, the Special Revenue Fund and the Capital Projects Funds. The Capital Projects Funds budget comparison to actual has not been included since the cash project is a multiple year endeavor.
2. The budgets are prepared on the modified accrual basis of accounting. All appropriations lapse at year end.
3. Encumbrances are not recognized within the accounting records for budgetary purposes.
4. Formal budget integration (within the accounting records) is employed as a management control device.

5. The Executive Director is authorized to transfer amounts between line items within any fund, with the exception of salaries, provided such does not change the total of any function. However, when actual revenues within a fund fail to meet budgeted revenues by 5% or more, a budget amendment is adopted by the PMA in an open meeting. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

#### **F. ENCUMBRANCES**

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded. In addition, the monthly budget reports are reviewed to ensure compliance with the budget, and where necessary, revisions to the budget are made.

#### **G. CASH AND CASH EQUIVALENTS**

Cash includes amounts in demand deposits and interest bearing demand deposits. Cash equivalents include amounts in time deposits and cash with fiscal agents. Under state law, the PMA may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana Law and national banks having their principal offices in Louisiana.

#### **H. SHORT TERM INTERFUND RECEIVABLES/PAYABLES**

During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short term interfund loans are classified as interfund receivables/payables.

#### **I. INVENTORY**

All purchased inventory items are valued at the lower of cost (first in, first out) or market. Purchased inventories are offset by a fund balance reserve which indicates that these do not constitute "available spendable resources", even though they are a component of total assets.

Acquisition of materials and supplies are accounted for on the purchase method, that is, the expenditure is charged when the items are purchased.

## **J. FIXED ASSETS**

Fixed assets of governmental funds are recorded as expenditures at the time they are purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures such as sidewalks and parking lots are capitalized. Interest expense during construction is capitalized. Depreciation has not been provided on general fixed assets.

## **K. COMPENSATED ABSENCES**

The MA follows Louisiana Civil Services regulations for accumulated annual and sick leave. Employees may accumulate up to 120 hours of annual leave which may be received upon termination or retirement. Sick leave hours accumulate, but the employee is not paid for them if not used by his/her retirement or termination date.

The cost of current leave privileges, computed in accordance with GASB Codification Section 049, is recognized as a current year expenditure in the governmental funds when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death, while the cost of leave privileges not requiring current resources is recorded in the general long term obligations account group. Leave benefits are based on accrued leave benefits or employees with 10 years service to a maximum of 25 days at their current annual salary.

## **L. LONG TERM OBLIGATIONS**

Long term obligations expected to be financed from governmental funds are reported in the general long term obligations account group. Expenditures for principal and interest payments for long term obligations are recognized in the governmental funds when due.

## **M. FUND EQUITY**

Reserves represent those portions of fund equity not appropriate for expenditures or legally segregated for a specific future use.

## **N. INTERFUND TRANSACTIONS**

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers. Mandating or via routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

### 9. TOTAL COLUMNS ON COMBINED STATEMENTS

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, results of operations, or changes in financial position in conformity with GAAP. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

#### NOTE 2 -- CASH AND CASH EQUIVALENTS

At September 30, 1996, the PMA has cash and cash equivalents totaling \$1,611,967.98 as follows:

Interest Bearing Demand Deposits	\$1,611,967.98
Time Deposits	
Petty Cash	
Cash With Fiscal Agent	
Total	\$1,611,967.98

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the 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 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. At September 30, 1996, the PMA has \$1,611,967.98 in deposits (collected bank balances). These deposits are secured from risk by \$100,000 of federal deposit insurance and \$2,100,000.00 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 1). Even though the pledged securities are considered uncollateralized (Category 1) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 18 days of being notified by the PMA that the fiscal agent has failed to pay deposited funds on demand.

#### NOTE 3--RECEIVABLES

The receivables of \$2,197,018.82 at September 30, 1996 are as follows:

	Low Bond	Section 8
Local Sources:		
TexasA&M	316,924.97	
GASB	9,316.29	13,304.97
Interfund Receivables	489,484.12	167,760.17
Federal Sources:		
Due From HUD	1,400,828.60	
Total	2,036,153.88	181,065.14

**NOTE 4--FIXED ASSETS**

The changes in general fixed assets are as follows:

<b>Land, Structures &amp; Equipment</b>	
Balance 9-30-85	42,044,618.97
Net Additions	13,208.16
Total	42,057,827.13
<b>Youth Sports Program</b>	
Balance 9-30-85	78,884.17
Net Additions	48,048.80
Balance 9-30-86	126,932.97
<b>CGP 1984</b>	
Balance 9-30-85	1,318,099.48
Net Additions	348,827.86
Balance 9-30-86	1,666,927.34
<b>CGP 1985</b>	
Balance 9-30-85	1,313,091.48
Net Additions	625,371.59
Balance 9-30-86	1,938,463.07
<b>CGP 1986</b>	
Net Additions & Balance 9-30-86	21,000.00
<b>PHSEP Costs Booked This Year</b>	155,734.86
<b>Emergency Grant</b>	
Balance 9-30-85 & 9-30-86	4,809.93
<b>Service Coordinator</b>	
Net Additions & Balance 9-30-86	21,267.15
<b>TOTAL OWNED PROGRAM @ 9-30-86</b>	48,784,123.89

**SECTION 8 PROGRAM**

Unchanged Balance 9-30-85 & 9-30-86 190,845.63

Fixed assets are mortgaged to HUD pursuant to the Annual Contributions Contract as collateral for obligations owed to the US Government. The building cost includes \$12,385.68 of ineligible expenditures as determined by HUD.



**NOTE 5--RETIREMENT SYSTEM**

The PMA participation in the Housing Renewal and Local Agency Retirement Plan which is a defined contribution plan. Through this plan, the PMA provides pension benefits for all of its full time employees. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. All regular and full time employees are eligible to participate in the plan on the first day of the month after completing 6 months or continuous an uninterrupted employment. Each participant in the plan is required to make a monthly contribution equal to 4% of each participant's basic compensation. The PMA's contribution for each employee and income allocated to the employee's account are fully vested after 5 years of continuous service. The PMA's contributions and interest forfeited by employees who leave employment before 5 years of service are used to offset future contributions of the PMA.

The PMA's total payroll for fiscal year ended September 30, 1996 was \$1,489,293.95. The PMA's contributions were calculated using the base salary amount of \$1,489,293.95. Both the PMA and the covered employees made the required contributions for the year ended September 30, 1996. Employee contributions to the plan totaled \$88,387.64. The PMA contributions totaled \$237,613.22 for the year ended September 30, 1996.

**NOTE 6--ACCOUNTS PAYABLE**

The payables of \$237,613.22 at September 30, 1996 are as follows:

General Fund:	
Toronto Security Deposits	91,919.22
Vendors	2,817.12
Payments in Lieu of Taxes	48,398.90
Utilities	88,387.68
Payroll Taxes	7,247.90
Total	237,613.22

**NOTE 7--COMPAENSATED ABSENCES**

At September 30, 1996, employees of the PMA have accumulated and vested \$120,183.73 of employee leave benefits, which was computed in accordance with GASB Codification Section 620. This amount is not expected to be paid from current available resources; therefore the liability is recorded within general long term obligations account group.

**NOTE 8--CHANGES IN AGENCY FUND DEPOSITS DUE OTHERS**

Travel Security Deposits:	
Balance 9-30-95	88,838.13
Net Additions	6,802.89
Balance 9-30-96	95,641.02

**NOTE 9--CHANGES IN GENERAL LONG TERM OBLIGATIONS**

The following is a summary of the long term obligation transactions of the year ended September 30, 1996:

FFB Notes:	
Balance 9-30-95	4,535,699.88
Principal Payments	none recorded
Balance 9-30-96	4,535,699.88

New Housing Bonds:	
Balance 9-30-95	10,136,852.73
Principal Payments	none recorded
Balance 9-30-96	10,136,852.73

Interest Payable Bonds:	
Balance 9-30-95	88,644.78
Principal Payments	none recorded
Balance 9-30-96	88,644.78

All principal and interest requirements are funded in accordance with Federal law by the annual contributions from the US Department of HUD. At September 30, 1996, the FFA has accumulated \$1,358,578.34 in the debt service funds for future debt requirements.

There are a number of GAAP departures in this note. The FFA does not have documentation from HUD in order to record debt extinguishment for the current fiscal year. As well, the FFA does not have amortization schedules for future debt service and interest rate information. Since HUD applies all debt payments directly to the lenders, and the FFA neither receives nor disburses any monies toward this, the real effect on the general ledger is unimportant. The above mentioned accounts and their balances could not be confirmed.

**NOTE 10--INTERFUND ASSETS/LIABILITIES**

Interfund receivables/payables at September 30, 1996 is as follows:

	Due From	Due To
General Fund	489,484.12	
Special Revenue Fund		489,484.12
Capital Project Funds		
<b>TOTAL</b>	<b>489,484.12</b>	<b>489,484.12</b>

**NOTE 11--COMMITMENTS AND CONTINGENCIES**

There are certain major construction projects at September 30, 1996. As approved by HUD these projects are being funded by HUD. Funds are requested periodically as the cost is incurred.

The PMA participates in a number of state and federally assisted grant programs. Although the current grant programs have been audited in accordance with the Single Audit Act of 1994 through September 30, 1995, these programs are still subject to compliance audits. PMA management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

**NOTE 12--UNCONFIRMED ACCOUNTS**

The following account balances could not be confirmed during the audit:

Acct #	Description	AMOUNT
<u>Law Dept Program</u>		
1177	Deposits With HUD	46,909.22
1430	Undistributed Debts- Ineligible Expenditures	12,365.68
1171	Debt Service Fund	5,059.08
1176	HUD Annual Contributions Receivable	1,353,519.28

**NOTE 13--CONTINGENCY**

The PMA is involved in a number of lawsuits related to contract disputes and personal injury claims. The PMA's attorney's indicate that potential losses are not known at this time. Since the resolution of these contingencies is long term and the projection of probable losses is difficult, I have left the contingency amount of \$30,388.00 that is in account 2295, Other Deferred Credits un-  
in.

**NOTE 14--REPORTING ENTITY**

A number of years ago, the PMA had a non profit organization chartered and named it The Nelson House Housing Development Corporation (NHC). The commissioners of the PMA have the right to terminate any member of the Board of Directors of NHC. Accordingly, this organization is legally considered a Component Unit of the PMA. While the NHC is not required by law to have an audit, the financial statements of it are to be included in the PMA's audit report. It is noted that prior year financials have not been restated to include the component Unit.

Since management has now realized the Component Unit relationship, NHC engaged this firm to complete a separate audit of it's activities from it's inception through December 31, 1996.

NHC was organized and operated without paid staff for the purpose of providing low income housing for sale.

Reading Authority of First Class Single Bonds

COMMENTS: 1

Face Value, Maturity Date

CUMULATIVE AMOUNT OF INTEREST, ACCRUALS AND AMOUNTS OF THE BALANCE

PERIOD ENDING FROM THE END OF PERIOD 01, 1976

	01-01 1976	01-01 1976	01-01 1976	01-01 1976	01-01 1976	01-01 1976	01-01 1976
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01-01

Total Income	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
Total Interest	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00

01-01

Administrative	100.00	100.00	100.00	100.00	100.00	100.00	100.00
General Expense	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Reading Room - Books	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Reading Room - Supplies	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Total Expenditures

Total Expenditures	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
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01-01 (PERIODS) OF INTEREST  
FROM PERIOD 01

01-01 (PERIODS) OF INTEREST	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
-----------------------------	----------	----------	----------	----------	----------	----------	----------

01-01 (PERIODS) OF INTEREST OF 1976

01-01 (PERIODS) OF INTEREST OF 1976	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
-------------------------------------	----------	----------	----------	----------	----------	----------	----------

01-01 (PERIODS) OF 1976

01-01 (PERIODS) OF 1976	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
-------------------------	----------	----------	----------	----------	----------	----------	----------

are used to financial statement

Balance sheet (1) of Dec 31, 1955  
 Balance sheet (2) of Dec 31, 1955  
 Balance sheet (3) of Dec 31, 1955  
 Balance sheet (4) of Dec 31, 1955

Balance 19

ACCOUNT	1955	1954	1953
ASSETS			
Current Assets	1,200,000	1,000,000	1,000,000
Fixed Assets	1,000,000	1,000,000	1,000,000
Liabilities	1,000,000	1,000,000	1,000,000
Equity	1,000,000	1,000,000	1,000,000
Total	3,200,000	3,000,000	3,000,000

ACCOUNT	1955	1954	1953
ASSETS			
Current Assets	1,200,000	1,000,000	1,000,000
Fixed Assets	1,000,000	1,000,000	1,000,000
Liabilities	1,000,000	1,000,000	1,000,000
Equity	1,000,000	1,000,000	1,000,000
Total	3,200,000	3,000,000	3,000,000

See notes to financial statements

Review Statement of the Joint Group Funds

As at 31/03/2019  
 For the period ending 31/03/2019  
 For the period ending 31/03/2019

continued

GROUP	NET ASSETS	LIABILITIES	NET ASSETS	LIABILITIES	NET ASSETS	LIABILITIES	NET ASSETS	LIABILITIES	NET ASSETS	LIABILITIES	NET ASSETS	LIABILITIES	NET ASSETS	LIABILITIES
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Group A	100	50	100	50	100	50	100	50	100	50	100	50	100	50
Group B	200	100	200	100	200	100	200	100	200	100	200	100	200	100
Group C	300	150	300	150	300	150	300	150	300	150	300	150	300	150
Group D	400	200	400	200	400	200	400	200	400	200	400	200	400	200
Group E	500	250	500	250	500	250	500	250	500	250	500	250	500	250
Group F	600	300	600	300	600	300	600	300	600	300	600	300	600	300
Group G	700	350	700	350	700	350	700	350	700	350	700	350	700	350
Group H	800	400	800	400	800	400	800	400	800	400	800	400	800	400
Group I	900	450	900	450	900	450	900	450	900	450	900	450	900	450
Group J	1000	500	1000	500	1000	500	1000	500	1000	500	1000	500	1000	500

EXPENSES

GROUP	EXPENSES	EXPENSES	EXPENSES	EXPENSES	EXPENSES	EXPENSES	EXPENSES	EXPENSES	EXPENSES	EXPENSES	EXPENSES	EXPENSES	EXPENSES	EXPENSES
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Group A	10	5	10	5	10	5	10	5	10	5	10	5	10	5
Group B	20	10	20	10	20	10	20	10	20	10	20	10	20	10
Group C	30	15	30	15	30	15	30	15	30	15	30	15	30	15
Group D	40	20	40	20	40	20	40	20	40	20	40	20	40	20
Group E	50	25	50	25	50	25	50	25	50	25	50	25	50	25
Group F	60	30	60	30	60	30	60	30	60	30	60	30	60	30
Group G	70	35	70	35	70	35	70	35	70	35	70	35	70	35
Group H	80	40	80	40	80	40	80	40	80	40	80	40	80	40
Group I	90	45	90	45	90	45	90	45	90	45	90	45	90	45
Group J	100	50	100	50	100	50	100	50	100	50	100	50	100	50

GROUP A (continued)

GROUP	NET ASSETS	LIABILITIES	NET ASSETS	LIABILITIES	NET ASSETS	LIABILITIES	NET ASSETS	LIABILITIES	NET ASSETS	LIABILITIES	NET ASSETS	LIABILITIES	NET ASSETS	LIABILITIES
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Group A	100	50	100	50	100	50	100	50	100	50	100	50	100	50
Group B	200	100	200	100	200	100	200	100	200	100	200	100	200	100
Group C	300	150	300	150	300	150	300	150	300	150	300	150	300	150
Group D	400	200	400	200	400	200	400	200	400	200	400	200	400	200
Group E	500	250	500	250	500	250	500	250	500	250	500	250	500	250
Group F	600	300	600	300	600	300	600	300	600	300	600	300	600	300
Group G	700	350	700	350	700	350	700	350	700	350	700	350	700	350
Group H	800	400	800	400	800	400	800	400	800	400	800	400	800	400
Group I	900	450	900	450	900	450	900	450	900	450	900	450	900	450
Group J	1000	500	1000	500	1000	500	1000	500	1000	500	1000	500	1000	500

See Note 2 (Financial Instruments)

Housing Authority of East Baton Rouge Parish  
 Baton Rouge, Louisiana 70808  
 SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE  
 For the Year Ended September 30, 1966

SCHEDULE III

All programs are Major programs unless otherwise noted.

Program	CFDA NO.	Program Assistance	Program Expenditures
U S Department of Housing and Urban Development			
Direct Programs:			
Low Income Housing Operating Subsidy	14.850	\$1,621,167.00	\$1,621,167.00
Section 8			
Vouchers	14.855	1,997,140.00	2,001,140.00
Existing	14.857	4,062,800.00	3,976,276.45
Moderate Rehabilitation **	14.856	4,420.00	820.00
CCP	14.859	994,996.27	995,255.48
Service Coordinator **		10,165.51	21,167.15
PRDFP			
Youth Sports		46,559.16	46,846.00
PRDFP		254,945.36	299,891.24
Total PRDFP	14.858	301,504.52	346,737.24
		8,581,819.38	8,863,946.79

\*\* Denotes a nonmajor program

see notes to financial statements



Financial statements of the State of New York

for the year ended December 31, 1988

Page 17

State of New York -- STATEMENT OF

ASSETS AND LIABILITIES

December 31, 1988

ASSETS	STATE OF NEW YORK	
	1988	1987
Cash	125,354.89	88,244.89
Investments	0.00	28,213.53
Accounts Receivable	60,724.21	25,213.60
State Award on Line Fund	1,425,897.54	0.00
General Charge	10,000.00	0,000.00
Land, Structures and Equipment	47,281,423.64	29,079,443
<b>TOTAL ASSETS</b>	<b>50,638,400.28</b>	<b>31,135,901.02</b>
LIABILITIES AND EQUITY		
Accounts Payable	10,000.00	1,000,000.00
Notes Payable	0.00	0.00
Accounts Payable	200,000.00	1,000,000.00
General Charge	0,000.00	0.00
Fixed Capital Fund	1,000,000.00	0.00
<b>TOTAL LIABILITIES</b>	<b>1,200,000.00</b>	<b>2,000,000.00</b>
Equity	49,438,400.28	29,135,901.02
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>50,638,400.28</b>	<b>31,135,901.02</b>

See notes to the financial statements

Housing Authority of East Baton Rouge Parish  
 Baton Rouge, Louisiana 70804  
 STATEMENT OF INCOME AND EXPENSES-PBA OWNED HOUSING STATUTORY BASIS  
 Annual Contributions Contract PE-1281  
 For the Year Ended September 30, 1998

SCHEDULE V

-----	
OPERATING INCOME:	
Dwelling Rental	\$1,345,079.44
Interest Income	1,888.74
Other Income	78,771.13
	-----
Total Operating Income	1,425,739.31
OPERATING EXPENSES:	
Administration	\$422,611.58
Tenant Services	87,919.37
Utilities	889,214.86
Ordinary Maintenance and Operations	781,794.06
General Expense	533,058.00
Non-Routine Maintenance	27,630.00
	-----
Total Operating Expenses	2,713,227.83
NET OPERATING DEFICIT	(\$1,287,488.52)
OTHER CHARGES:	
Interest on Notes and Bonds	59.00
Prior Period Adjustments Affecting Residual Receipts	28,507.82
Gain/Loss Disposition of Nonexpendable Equipment	21,492.37
	-----
TOTAL OTHER CHARGES	49,999.19
	-----
DEFICIT	(\$1,337,487.61)
	-----

see notes to financial statements

Operating Performance of East Texas Energy Partners  
 from Texas, Louisiana and  
 Oklahoma Oil (P&W) and O&G  
 assets (including O&G) (P&W) (P&W)  
 annual contributions (P&W), (P&W), and (P&W)  
 for the year ended September 30, 2000

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	2000	1999	1998
Operating Income	1,402.48	1,499.71	24.20
Total Operating Income	1,402.48	1,499.71	24.20
Operating Expenses:			
Oil Expenses	1,513,201.49	1,493,724.49	691.21
Administrative Expenses	283,895.28	283,284.12	4.28
Total Operating Expenses	1,797,096.77	1,777,008.61	695.49
Net Operating Deficit	(394,694.29)	(277,208.90)	(671.29)
Other Credits:			
From Period Adjustments			
Affecting Periodic Results	61,768.11	25,511.61	4.28
Deficit	(332,926.18)	(251,697.29)	(667.01)

see notes to financial statements

Operating Activity of our three major periods  
 2000, 1999, 1998 and 1997  
 (Amounts in \$ millions -- rounded) (continued) -- See Footnote 10  
 for the four weeks ended December 31, 1998

(continued)

	2000	1999	1998	1997
Increased capital balance 1-1-00	(3,056,302.8)	(3,234,883.0)	(3,448,362.3)	0.0
Deficit for the four weeks 1-1-00	(1,284,318.2)	(1,261,888.0)	(1,449,338.1)	(308.0)
Provision for Operating Reserve	287,325.2	130,325.0	149,864.0	(2,486.0)
Provision for Project Account	1.0	(1,487,785.0)	(1,498,852.0)	(33,984.0)
Net Adjustments	1.0	0.0	(81,297.0)	0.0
EB Adjustments	1.0	(1,278,388.0)	(1,328,230.0)	0.0
Balance 1-1-98	(6,440,422.8)	(5,173,288.0)	(5,196,142.3)	(6,285.0)
Increased Capital-Operating Reserve Balance 1-1-00	437,276.2	442,325.0	27,492.1	0.0
Provision for Operating Reserve	287,325.2	130,325.0	149,864.0	1,486.0
Net Adjustments	0.0	0.0	(28,228.0)	0.0
Net Adjustments	0.0	0.0	(81,297.0)	0.0
Operating Reserve 1-1-00	721,601.4	572,650.0	176,128.1	1,486.0
Increased Capital-Project Account Balance 1-1-00	1.0	(1,487,785.0)	(1,497,487.2)	0.0
EB Adjustments	1.0	(88,401.0)	(88,256.0)	0.0
Provision for Project Account	1.0	(1,487,785.0)	(1,258,652.0)	(33,984.0)
Balance 1-1-98	1.0	(1,488,781.0)	(1,497,283.0)	(33,984.0)
Cumulative EB Contributions-Net Investment	48,361,871.2	1,754,882.8	45,658,288.2	0.0
EB Adjustments 1-1-00	1.0	0.0	0.0	0.0
EB Adjustments 1-1-98	1,487,785.0	0.0	4,682,888.0	1,486.0
Balance and Depreciation Property Operating Activity 1-1-00	4,784.2	0.0	0.0	0.0
EB Adjustments	(1,487,785.0)	0.0	0.0	0.0
EB Adjustments	(88,401.0)	0.0	0.0	0.0
EB Adjustments	(88,401.0)	0.0	0.0	0.0
EB Adjustments	(88,401.0)	0.0	0.0	0.0
EB Adjustments	(88,401.0)	0.0	0.0	0.0
EB Adjustments	(88,401.0)	0.0	0.0	0.0
EB Adjustments	(88,401.0)	0.0	0.0	0.0
EB Adjustments	(88,401.0)	0.0	0.0	0.0
EB Adjustments	(88,401.0)	0.0	0.0	0.0
EB Adjustments	(88,401.0)	0.0	0.0	0.0
Balance 1-1-98	(1,487,785.0)	(1,487,785.0)	(1,487,785.0)	(1,486.0)
EB Adjustments	88,401.0	0.0	0.0	0.0
Balance 1-1-00	(1,399,384.0)	(1,487,785.0)	(1,487,785.0)	(1,486.0)

See note to financial statements

Housing Authority of East Baton Rouge Parish  
 Baton Rouge, Louisiana 70804  
 PMA's Statement and Certification of Actual Costs  
 COMPLETED PROJECTS LA488EP0030193 & LA488EP0030192  
 For the Year Ended September 30, 1988

REVENUE VIII

1. The actual costs of the projects are as follows:

	PROJECT LA488EP0030193	PROJECT LA488EP0030192
HUD Funds Approved	\$224,900.00	\$210,000.00
HUD Funds Expended	124,900.00	210,000.00
Excess of Funds Approved	0.00	0.00
<b>FUNDS ADVANCED</b>		
HUD	124,900.00	210,000.00
Funds Expended	124,900.00	210,000.00
Excess of Funds Advanced	0.00	0.00

- The distribution of costs by project as shown on the Final Statements of Cost Dated 5-11-88 and 2-20-88 submitted to HUD for approval is in agreement with the PMA's records.
- All costs have been paid and all related liabilities have been discharged through payment.

see notes to financial statements

COMB 1 22

State Asset Review Development Corporation  
 State Asset Review  
 (Approved) Investment - Investment Fund of the State  
 State Asset Review  
 Agency for Assets, Liabilities and Fund Balance  
 All regulatory items of Accounting

	11-01-02	11-01-03	11-01-04	03-01-05	11-01-05
ASSETS					
Cash in Bank	871.4	88.14	3,212.00	45,787.70	11,081.8
Accounts Receivable - Non Govt	0.00	0.00	0.00	0.00	0.00
Accounts Payable	0.00	0.00	0.00	0.00	0.00
Investment	0.00	0.00	0.00	0.00	0.00
Other Assets	0.00	0.00	0.00	0.00	0.00
LIABILITIES					
Accounts Payable	0.00	0.00	0.00	0.00	0.00
Accounts Receivable	0.00	0.00	0.00	0.00	0.00
Other Liabilities	0.00	0.00	0.00	0.00	0.00
Net Assets	871.4	88.14	3,212.00	45,787.70	11,081.8

	11-01-02	11-01-03	11-01-04	03-01-05	11-01-05
ASSETS					
Cash in Bank	871.4	88.14	3,212.00	45,787.70	11,081.8
Accounts Receivable - Non Govt	0.00	0.00	0.00	0.00	0.00
Accounts Payable	0.00	0.00	0.00	0.00	0.00
Investment	0.00	0.00	0.00	0.00	0.00
Other Assets	0.00	0.00	0.00	0.00	0.00
LIABILITIES					
Accounts Payable	0.00	0.00	0.00	0.00	0.00
Accounts Receivable	0.00	0.00	0.00	0.00	0.00
Other Liabilities	0.00	0.00	0.00	0.00	0.00
Net Assets	871.4	88.14	3,212.00	45,787.70	11,081.8

	11-01-02	11-01-03	11-01-04	03-01-05	11-01-05
ASSETS					
Cash in Bank	871.4	88.14	3,212.00	45,787.70	11,081.8
Accounts Receivable - Non Govt	0.00	0.00	0.00	0.00	0.00
Accounts Payable	0.00	0.00	0.00	0.00	0.00
Investment	0.00	0.00	0.00	0.00	0.00
Other Assets	0.00	0.00	0.00	0.00	0.00
LIABILITIES					
Accounts Payable	0.00	0.00	0.00	0.00	0.00
Accounts Receivable	0.00	0.00	0.00	0.00	0.00
Other Liabilities	0.00	0.00	0.00	0.00	0.00
Net Assets	871.4	88.14	3,212.00	45,787.70	11,081.8

	11-01-02	11-01-03	11-01-04	03-01-05	11-01-05
ASSETS					
Cash in Bank	871.4	88.14	3,212.00	45,787.70	11,081.8
Accounts Receivable - Non Govt	0.00	0.00	0.00	0.00	0.00
Accounts Payable	0.00	0.00	0.00	0.00	0.00
Investment	0.00	0.00	0.00	0.00	0.00
Other Assets	0.00	0.00	0.00	0.00	0.00
LIABILITIES					
Accounts Payable	0.00	0.00	0.00	0.00	0.00
Accounts Receivable	0.00	0.00	0.00	0.00	0.00
Other Liabilities	0.00	0.00	0.00	0.00	0.00
Net Assets	871.4	88.14	3,212.00	45,787.70	11,081.8

	11-01-02	11-01-03	11-01-04	03-01-05	11-01-05
ASSETS					
Cash in Bank	871.4	88.14	3,212.00	45,787.70	11,081.8
Accounts Receivable - Non Govt	0.00	0.00	0.00	0.00	0.00
Accounts Payable	0.00	0.00	0.00	0.00	0.00
Investment	0.00	0.00	0.00	0.00	0.00
Other Assets	0.00	0.00	0.00	0.00	0.00
LIABILITIES					
Accounts Payable	0.00	0.00	0.00	0.00	0.00
Accounts Receivable	0.00	0.00	0.00	0.00	0.00
Other Liabilities	0.00	0.00	0.00	0.00	0.00
Net Assets	871.4	88.14	3,212.00	45,787.70	11,081.8

PERIOD 1

From Area Under the Speed Control Line  
 From Area Under the  
 1. Speed Control Line - Component Part of the Total Speed  
 From Area Under the  
 2. Speed Control Line - Component Part of the Total Speed  
 From Area Under the  
 3. Speed Control Line - Component Part of the Total Speed

	1974	1975	1976	1977	1978	1979	1980	1981	Total (1974-1981)
<b>AREA</b>									
1. Speed Control Line	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	7.0
2. Speed Control Line	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	7.0
3. Speed Control Line	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	7.0
<b>Total Area</b>	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	21.0

	1974	1975	1976	1977	1978	1979	1980	1981	Total (1974-1981)
<b>AREA</b>									
1. Speed Control Line	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	7.0
2. Speed Control Line	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	7.0
3. Speed Control Line	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	7.0
<b>Total Area</b>	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	21.0

see area's financial statements and supporting notes





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A REGISTERED ACCOUNTING COMPANY

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

BOARD OF COMMISSIONERS  
BOATING AUTHORITY OF EAST BATON BEUGE PARISH  
BATON ROUGE, LOUISIANA 70804

I have audited the general purpose financial statements of the Boating Authority of East Baton Rouge Parish (BAP), as of and for the year ended September 30, 1996, and have issued my report thereon dated September 12, 1997.

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

The management of the BAP is responsible for establishing and maintaining an internal control structure. In fulfilling that 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 authorizations and recorded properly to permit the preparation of financial statements in accordance with accounting principles prescribed by GAAP. 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 my audit of the general purpose financial statements of the PMA, for the year ended September 30, 1988, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

I noted certain matters involving the internal control structure and its operation that I consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgement, could adversely affect the PMA's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

The computerized system that the PMA utilizes for tenant accounting should have better internal controls. The Tenant Security Deposits (TSD's) computerized records should not be accessible by anyone except accounting department personnel. Bank adjustment documentation should be initiated by one staff member and approved in writing by a supervisor. The PMA should consider installing a security camera in the rent collection room. Absolutely no receipts of cash should be allowed, per PMA policy.

Because of the relatively small number of employees, the general cashier function is not segregated from the subsidiary ledger function, checks are prepared by employees who are not independent of voucher/invoice approval, the purchase function is not performed by personnel independent of receiving and disbursing functions, persons preparing payroll are not independent of other payroll duties, and detail records of fixed assets are not maintained by personnel independent of the general ledger, cash or capital expenditure authorizing functions.

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 errors or 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.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, I noted the following matters involving the internal control

structure and its operation that I consider to be material weaknesses as defined above. These conditions were considered in determining the nature, timing, and extent of the procedures to be performed in my audit of the financial statements of the PMA for the year ended September 30, 1996.

The computerized system that the PMA utilizes for tenant accounting should have better internal controls. The Tenant Security Deposits (TSD's) computerized records should not be accessible by anyone except accounting department personnel. Rent adjustment documentation should be initiated by one staff member and approved in writing by a supervisor. The PMA should consider installing a security camera in the rent collection room. Absolutely no receipts of cash should be allowed, per PMA policy.

Because of the relatively small number of employees, the general cashier function is not segregated from the subsidiary ledger function, checks are prepared by employees who are not independent of voucher/invoice approval, the purchase function is not performed by personnel independent of receiving and disbursing functions, persons preparing payroll are not independent of other payroll duties, and detail records of fixed assets are not maintained by personnel independent of the general ledger, cash or capital expenditure authorizing functions.

I also noted other matters involving the internal control structure and its operation that I have reported to the management of the PMA in a separate letter dated September 12, 1997.

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

September 12, 1997

  
\_\_\_\_\_  
William Daniel McCashill, CPA  
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**INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL  
STRUCTURE USED IN ADMINISTERING FEDERAL  
FINANCIAL ASSISTANCE**

BOARD OF COMMISSIONERS  
HOUSING AUTHORITY OF EAST BATON BOUGE PARISH  
BATON BOUGE, LOUISIANA 70008

I have audited the general purpose financial statements of the Housing Authority of East Baton Rouge Parish (PHA) , as of and for the year ended September 30, 1996, and have issued my Report thereon dated September 12, 1997. I have also audited the compliance of the PHA, with requirements applicable to major federal financial assistance programs and have issued my report thereon dated September 12, 1997.

I conducted my audit in accordance with generally accepted auditing standards: Government Auditing Standards, issued by the Comptroller General of the United States; the Office of Management and Budget (OMB) Circular A-128, Audits of State and Local Governments. Those standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and about whether the PHA complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing my audit for the year ended September 30, 1996 , I considered the internal control structure of the PHA, in order to determine my auditing procedures for the purpose of expressing my opinions on the general purpose financial statements of the PHA, and on the compliance of the PHA with requirements applicable to major programs and in regard to the internal control structure in accordance with OMB Circular A-128. This report addresses my consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. I have addressed internal control policies and procedures relative to my audit of the general purpose financial statements in a separate report dated September 12, 1997.

The management of the FRA 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 financial statements in accordance with HUD 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, 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, I have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

**ACCOUNTING CONTROLS:**

REVENUES  
RECEIVABLES  
PENDING  
INVESTMENTS  
DISBURSEMENTS  
PAYROLL  
BUDGETARY CONTROL

**ADMINISTRATIVE CONTROLS:**

GENERAL REQUIREMENTS  
POLITICAL ACTIVITY  
DAVIS-BACON ACT  
CIVIL RIGHTS  
CASH MANAGEMENT  
RELOCATION ASSISTANCE & REAL  
PROPERTY ACQUISITION  
FEDERAL FINANCIAL REPORTS  
ALLOWABLE COSTS/ COST  
PRINCIPLES  
DEED FREE WORKPLACE ACT  
ADMINISTRATIVE REQUIREMENTS  
  
SPECIFIC REQUIREMENTS  
ELIGIBILITY  
REPORTING  
SPECIAL TERMS & PROVISIONS  
TYPES OF SERVICES

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

During the year ended September 30, 1990 the FMA expended 5% of its total federal financial assistance financial under major federal financial assistance programs.

I performed tests of controls, as required by OMB A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that I 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 the FMA's major federal financial assistance programs, which are identified in the accompanying schedule of federal financial assistance. My procedures were less in scope than would be necessary to render an opinion on internal control structure policy and procedures. Accordingly, I do not express such an opinion.

I noted certain matters involving the internal control structure and its operation that I consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgment, could adversely affect the organization's ability to administer federal financial assistance programs in accordance with applicable laws and regulations.

The computerized system that the FMA utilizes for tenant accounting should have better internal controls. The tenant security deposits (TSD's) computerized records should not be accessible by anyone except accounting department personnel. Bond adjustment documentation should be initiated by one staff member and approved in writing by a supervisor. The FMA should consider installing a security camera in the rent collection room. Absolutely no receipts of cash should be allowed, per FMA policy.

Because of the relatively small number of employees, the general cashier function is not segregated from the subsidiary ledger function, checks are prepared by employees who are not independent of voucher/invoice approval, the purchase function is not performed by personnel independent of receiving and disbursing functions, payroll preparing payroll are not independent of other payroll duties, and detail records of fixed assets are not maintained by personnel independent of the general ledger, cost or capital expenditure authorizing functions.

A material weakness is a reportable condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations 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.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, I noted the following matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above. These conditions were considered in determining the nature, timing, and extent of the procedures to be performed in my audit of the financial statements of the FEA for the year ended September 30, 1997.

I also noted other matters involving the internal control structure and its operation that I have reported to the management of the FEA in a separate letter dated September 11, 1997.

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

---

William Daniel McCaskill, CPA  
A Professional Accounting Corporation

September 13, 1997

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

BOARD OF COMMISSIONERS  
HOUSING AUTHORITY OF EAST BATON BOUGE PARISH  
BATON BOUGE, LOUISIANA 70806

I have audited the general purpose financial statements of the Housing Authority of East Baton Rouge Parish (HABRP), as of and for the year ended September 30, 1996, and have issued my report thereon dated September 12, 1997.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the comptroller general of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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



This report is intended for the information of the audit committee, management, and H&B and should not be used for any other purpose. However, this report is a matter of public record and its distribution is not limited.



---

William Daniel Moreskillo, CPA  
A Professional Accounting Corporation

September 12, 1997

WILLIAM DANIEL MCCASSELL, CPA  
MEMBER, BOARD OF COMPTROLLERS

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

BOARD OF COMMISSIONERS  
HOUSING AUTHORITY OF EAST BATON ROUGE PARISH  
BATON ROUGE, LOUISIANA 70808

I have audited the general purpose financial statements of the Housing Authority of East Baton Rouge Parish (PHA), as of and for the year ended September 30, 1986, and have issued my report thereon dated September 12, 1987.

I have also audited the PHA's compliance with the requirements governing types of services allowed or unallowed; eligibility, or matching or level of effort; reporting; cost limitations; annual cost adjustments; annual unit inspections; contracts prohibiting the use of bond based price; procurement activities; analysis of general fund costs; Performance Funding System (PFS); PHAAR; Occupancy Requirements; Section 8 requirements (if applicable); operating subsidy eligibility and claims for advances and reimbursements that are applicable to its major Federal financial assistance programs, which are identified in the accompanying schedule of Federal financial assistance, for the year ended September 30, 1986. The management of the PHA is responsible for the PHA's compliance with these requirements. My responsibility is to express an opinion on compliance with these requirements based on my audit.

I conducted my audit of compliance with these requirements in accordance with generally acceptable auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and OMB Circular A-133, "Audits of State and Local Governments" and the provisions of Public and Indian Housing Compliance Requirements dated July 18, 1984. These standards and OMB Circular A-133 require that I 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 PHA's compliance with these requirements. I believe that our audit provides a reasonable basis for my opinion.

In my opinion, the Housing Authority of East Baton Rouge Parish complied, in all material respects, with the requirements governing types of services allowed or unallowed; eligibility; matching or level of effort; reporting; cost limitations; annual cost adjustments; annual unit inspections; contracts prohibiting the use of lead-based paint; procurement actions; analysis of general fund cash; operating subsidy eligibility; Performance Funding System (PFS); PMSAP; compliance requirements; Section 8 Requirements (if applicable); and claims for advances and reimbursements that are applicable to its major Federal financial assistance programs for the year ended September 30, 1997.

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



---

William David McDaniel, CPA  
& Professional Accounting Corporation

September 12, 1997

**WILLIAM DANIEL MCCASKILL, CPA**  
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**MEMO**  
MEMORANDUM TO THE BOARD OF COMMISSIONERS  
MEMORANDUM TO THE BOARD OF COMMISSIONERS  
MEMORANDUM TO THE BOARD OF COMMISSIONERS

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

BOARD OF COMMISSIONERS  
HOUSING AUTHORITY OF EAST BATON PARISH BOUQUET PARISH  
BATON BOULEVARD, LOUISIANA 70006

I have audited the general purpose financial statements of the Housing Authority of East Baton Rouge Parish (HRA), as of and for the year ended September 30, 1996, and have issued my report thereon dated September 13, 1997.

In connection with my audit of the general purpose financial statements of the HRA, and with my consideration of the HRA's control systems used to administer federal financial assistance programs, as required by OMB A-128, "Audits of State and Local Governments," I selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended September 30, 1996. As required by OMB A-128, I have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed; eligibility; reporting; cost limitations; annual cost adjustments; annual unit inspections; contracts prohibiting the use of lead based paint; procurement actions; analysis of general fund cash; Performance Funding System (PFS); FPMR; Occupancy Requirements; Section 8 Requirements (if applicable); operating subsidy eligibility; and claims for advances and reimbursements that are applicable to these transactions. My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the HRA's compliance with these requirements. Accordingly, I 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 my attention that caused me to believe that the FWA had not complied, in all material respects, with those requirements. However, if the results of my procedures disclosed immaterial instances of noncompliance with those requirements, they are described in the accompanying schedule of findings and questioned costs and/or the accompanying Management Letter.

This report is intended for the information of the audit committee, management, and HUD. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

September 12, 1997



---

William Daniel McCaskey, CPA  
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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH THE  
GENERAL REQUIREMENTS APPLICABLE TO FEDERAL  
FINANCIAL ASSISTANCE PROGRAMS**

BOARD OF COMMISSIONERS  
HOUSING AUTHORITY OF EAST BATON ROUGE PARISH  
BATON ROUGE, LOUISIANA 70802

I have audited the general purpose financial statements of the Housing Authority of East Baton Rouge Parish (HRA), as of and for the year ended September 30, 1986, and have issued my report thereon dated September 12, 1987.

I have applied procedures to test the HRA's compliance with the following requirements applicable to each of its financial assistance programs, which are identified in the schedule of federal financial assistance, for the year ended September 30, 1986.


Fair Housing Act	Federal Financial Report
Debarment Act	Allowable Costs/ Cost
Civil Rights	Principles
Cash Management	Drug Free Workplace Act
Relocation Assistance and	Administrative Requirements
Real Property Acquisition	

My procedures were limited to the applicable procedures described in the OMB's Compliance Supplement for Single Audits of State and Local Governments. My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the HRA's compliance with the requirements listed in the preceding paragraph. Accordingly, I 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 my attention that caused me to believe that the P&A had not complied, in all material respects, with those requirements. However, if as of the results of my procedures there were disclosed immaterial instances of noncompliance with those requirements, I described them in the accompanying schedule of findings and questioned costs and/or the accompanying Management Letter.

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

September 12, 1997



---

William Daniel McGoskill, CPA  
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MEMO  
JAMES HEITZ, JR., CPA  
MANAGING DIRECTOR OF CPA  
MORNING REPORT OF CPA


INDEPENDENT AUDITORS' REPORT ON SCHEDULE  
OF FEDERAL FINANCIAL ASSISTANCE

BOARD OF COMMISSIONERS  
HOUSING AUTHORITY OF EAST BATON BOUGE PARISH  
BATON BOUGE, LOUISIANA 70694

I have audited the general purpose financial statements of the Housing Authority of East Baton Rouge Parish (PAR), as of and for the year ended September 30, 1987, and have issued my report thereon dated September 12, 1987. These financial statements are the responsibility of the PAR's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the 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 financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that our audit provides a reasonable basis for my opinion.

My audit was made for the purpose of forming an opinion on the financial statements of the Housing Authority of East Baton Rouge Parish 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 financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the financial statements and, in my opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

  
William Daniel McCaskill, CPA  
A Professional Accounting Corporation

September 12, 1987



THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH  
BATON ROUGE, LOUISIANA

STATUS OF PRIOR AUDIT FINDINGS

The prior audit included 1 finding, that Tenant Accounts Receivable (TAR) were too high.

HED has since informed FEA's that, per the new FEA audit compliance supplement, high balances of TAR's are not considered an audit finding. This is measured and graded in the MM&F system, which grades management of all FEA's nationwide. Accordingly, this finding is cleared.

Hessing Authority of East Baton Rouge Parish  
 Baton Rouge, Louisiana  
 Schedule of Adjusting Journal Entries  
 For the Year Ended September 30, 1999

THESE AJE's ARE FOR THE SECTION 8 PROGRAM

Account Number	Description	Debit	Credit
	(1)		
1129.00	Accounts receivable--Restitution	20,280.98	
6010.00	Prior Year Adjustments Affecting Residual Receipts		20,280.98

To record a receivable for mis appropriated monies which was recovered in July 1997. This relates to finding number 1. The PWA should not record this AJE.

	(2)		
1129.00	Accounts receivable other	25,000.00	
6010.00	Prior Year Adjustments Affecting Residual Receipts		25,000.00

To correct a journal voucher during the year which incorrectly removed a note receivable from the general ledger.

	(3)		
1119.00	MUD Payable	10,000.10	
6010.00	Prior Year Adjustments Affecting Residual Receipts		10,000.10

To write off an old, unidentifiable balance in a mud payable account.

**THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH  
BATON ROUGE, LOUISIANA**

**FINDINGS AND RECOMMENDATIONS**

The following either have no monetary effect on the Financial Statements or the monetary effect could not be determined. Accordingly, these findings and recommendations are without adjusting journal entries to the financial statements, unless so noted in the finding.

**Finding Number 1**

**Statement of Conditions--** a staff member resigned and pled guilty to misappropriation of funds. The PMA received restitution on this matter in the amount of \$20,180.80. This amount is included as audit adjusting journal entry number 1.

**Finding Number 2**

**Statement of Conditions and Criteria--** The computerized system that the PMA utilizes for Tenant Accounting should have better internal controls. The Tenant Security Deposits (TSD's) computerized records should not be accessible by anyone except accounting department personnel. Rent adjustment documentation should be initiated by one staff member and approved in writing by a supervisor. The PMA should consider installing a security camera in the rent collection room. Absolutely no receipts of cash should be allowed, per PMA policy.

**Effect--**The PMA does not have adequate controls over it's tenant accounting.

**Cause--**The design and implementation of the internal controls system is lacking.

**PMA Response--**Subsequent to the close of this fiscal year and prior to the publishing of this audit report, we made many changes and improvements in our internal controls over tenant accounting, specifically:

Full time rent collection position with clerical duties

Rent collection function assigned to the accounting department

Rent adjustment slips initiated by Property Managers are approved by Property Manager Supervisor

Rent adjustments entered into computerized accounting system by fiscal department only with properly approved adjustment slip

A computerized tenant's accounts receivable schedule reporting all changes in tenant's rent posted to the master file will be reviewed at least monthly by the fiscal department Supervisor

No receipt of cash in compliance with agency policy

Monthly reconciliation of trial balance to tenant security deposit listing

**Finding Number 3**

**Statement of Conditions--**This audit is late by State law.

**Criteria--**PMA's are supposed to have complete audits within 6 months of the end of their fiscal year.

**Cause--**Because of ongoing investigations, the audit was delayed. This delay was neither the fault of the PMA nor of the audit firm. The Legislative Auditor and MSJ were duly notified of the delay's as they occurred.

**PMA Response--**We concur with this finding.

THE HOUSING AUTHORITY OF EAST BATON ROUGE PARISH  
BATON ROUGE, LOUISIANA

MANAGEMENT LETTER

The PMA owns and operates laundry facilities at numerous sites which generated \$42,390.70 in this fiscal year. I suggest the following changes in this operation and in accounting for the operation:

Account for the receipts and expenditures utilizing a Laundry Income and a Laundry Expense classification, which will allow for analyzing the operation easier.

Have the Board of Commissioners approve an annual budget for the laundry operation.

Continue having a staff member collect the change from the machines. Have the staff deliver the monies directly to the bank, who should issue a deposit ticket to the accounting department.

Equipment write off's, as presented to the Board of Commissioners for approval, should include the original cost of each piece of equipment being disposed of.

Since the PMA processes so many checks, I suggest the PMA consider purchasing a check writing machine that would prepare the check including signatures as well as processing the envelope and postage. If the internal controls for the check writing process were adjusted to accommodate such equipment, I believe the result would be improved internal controls.

The PMA has an internal audit function for reviewing tenant files. I suggest that the internal audit work be documented on a monthly basis to provide statistical analysis of the findings.

The accounting department should change the Tenant Security Deposit (TSD) accounting to require instances be documented as they occur. The system in operation during the fiscal year allowed shortages to occur and remain undiscovered.

A copier was purchased for \$10,000.00 during the fiscal year using Section 9 Operating Reserves to pay for it. While this is certainly a legitimate transaction, documentation of prior approval by the Board of Commissioners was not available. I suggest any withdrawals from the reserve be annually budgeted and approved by the board of Commissioners.

The accounting department should be commended for the excellent work that they performed this year.

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/ INDEPENDENT AUDITOR

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INDEPENDENT AUDITORS' REPORT ON  
FINANCIAL STATEMENTS

BOARD OF COMMISSIONERS  
HOUSING AUTHORITY OF EAST BATON ROUGE PARISH  
BATON ROUGE, LOUISIANA 70001

I have audited the financial statements of the Housing Authority of East Baton Rouge Parish (HARP), as of and for the year ended September 30, 1998 and have issued my report thereon dated September 12, 1999.

Per Government Auditing Standards, issued by the Comptroller General of the United States, Chapter 5 paragraph 16, indication of illegal acts need not be included in the required audit reports but may be covered in a separate written report allowing the release of the required audit reports without subjecting implicated individuals to undue publicity and without subjecting the auditor to potential legal action. I consider this report to satisfy that requirement.

Illegal acts covered in this report and not included in the audit report include the following:


Misappropriation of \$145,174.97 of tenant collections occurred.

This was mostly done in a pattern of staff collecting money orders from tenants, issuing to tenants documents that resembled receipts, and sending a rent adjustment document to the accounting department for the amount of the collection. In this manner, the tenant's account statement reflected that their account was current. Nothing was changed in the tenant's file to document a rent adjustment.

Current FPA management was fully cooperative in this matter. A bonding claim has been timely filed in the amount of \$145,174.97.

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

September 12, 1987

  
\_\_\_\_\_  
William Daniel McCasbill, CPA  
A Professional Accounting Corporation