

SUPPLEMENTARY INFORMATION

Schedule of Federal Awards

21

NEW ORLEANS TALENT SEARCH PROGRAM, INC.
NEW ORLEANS, LA 70125

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NEW ORLEANS EDUCATIONAL TALENT SEARCH PROGRAM, INC.
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 1999

Cash Flows from Operating Activities:	
Net Income	\$ 0
Adjustments to reconcile net income to net cash provided by operating activities:	
Change in account receivable	\$ 6,723
Change in account payable	(6,723)
Total Adjustments	<u>0</u>
Net Cash Provided by Operating Activities	0
Cash Flows from Investment Activities	0
Net Cash Provided by Investment Activities	0
Cash Flows from Financing Activities	0
Net Cash Provided by Financing Activities	<u>0</u>
Net Increase(Decrease) in Cash	0
Cash at Beginning of Period	<u>0</u>
Cash at End of Period	\$ <u>0</u>

See auditor's report and notes to financial statement.

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NEW ORLEANS TALENT SEARCH PROGRAM, INC.
4213 S. CLAIRBORNE AVENUE
NEW ORLEANS, LA. 70125

AUDIT OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 1986

Under terms of the contract, this
Statement of Financial Position. A
copy of the statement is being sub-
mitted to the Council on the Ground,
only and shall be available to public
officials. This report is available for
public inspection at the Baton
Rouge office of the Legislative Audi-
tor and, where appropriate, at the
office of the parish clerk of court.

Witness my hand and seal this
CHARLES F. WEISS

CERTIFIED PUBLIC ACCOUNTANT
610 BARDONNE STREET - STE. 200
NEW ORLEANS, LA. 70125
(504) 528-2220

STATE OF LOUISIANA
LEGISLATIVE AUDITOR
Baton Rouge, Louisiana
JUL 1 1986 10 41 15

REPORT ON INTERNAL CONTROL STRUCTURE USED IN
ADMINISTERING FEDERAL AWARDS

To the Board of Directors
New Orleans Educational Talent Search Program, Inc.
4315 S. Chalmette Avenue
New Orleans, LA 70125

I have audited the basic financial statements of New Orleans Educational Talent Search Program, Inc. as of and for the years ended June 30, 1996, and have issued my report thereon dated January 13, 1997.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Circular A-133, *Audit of Institutions of Higher Education and Other Non-profit Institutions*. These standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether New Orleans Educational Talent Search Program, Inc., complied with laws and regulations, noncompliance with which would be material to a major federal program.

In planning and performing my audit for the year ended June 30, 1996 I established New Orleans Educational Talent Search Program, Inc., control structure in order to disseminate my auditing procedures for the purpose of expressing my opinion on New Orleans Educational Talent Search Program, Inc., financial statements and on its compliance with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-133. This report addresses my responsibilities of internal control structure policies and procedures relevant to compliance with requirements applicable to federal programs. I have addressed policies and procedures relevant to my audit of the financial statements in a separate report dated January 13, 1997.

The management of New Orleans Educational Talent Search Program, Inc. 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, the transactions are recorded in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that federal awards programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any

NEW ORLEANS EDUCATIONAL TALENT SEARCH PROGRAM, INC
 Schedule of Federal Awards
 For the Year Ended June 30, 1995

Federal Grants/Pass-through Grants/Program Title	Federal CFDA Number	Agency or Pass-through Number	Federal Exp
U.S. Department of Health and Human Services			
Office of Alcohol & Drug Abuse			
Drug Prevention Program	13.990	57512	\$ 110,000
Drug Prevention Community Outreach	13.990	57561	80,000
Pass-through from State of Louisiana			
Department of Social Services			
Office of Family Support			
Project Independence	13.790	09597	100,000
Total			\$ <u>290,000</u>



Charles F. Webb
Certified Public Accountant

January 13, 1997

REPORT OF COMPLIANCE WITH GENERAL REQUIREMENT - NO MATERIAL
NON COMPLIANCE IDENTIFIED

To the Board of Directors
New Orleans Educational Talent Search Program, Inc.
4215 S. Claiborne Avenue
New Orleans, LA 70022

I have audited the basic financial statements of New Orleans Educational Talent Search Program, Inc., as of and for the year ended June 30, 1986, and have issued my report thereon dated January 13, 1987.

I have applied procedures to test New Orleans Educational Talent Search Program, Inc.'s compliance with the following requirements applicable to its federal programs, which are identified in the accompanying schedule of federal awards for the year ended June 30, 1986:

- Political activity
- Civil rights
- Cash Management
- Allowable costs / cost principles
- Administrative requirements

My procedures were limited to the applicable procedures described in the Office of Management and Budget's Compliance Supplement for Audits of Higher Learning and Other Non-Profit Institutions. My procedures were substantially less in scope than as would be the objective of which is the expression of an opinion on New Orleans Educational Talent Search Program, Inc.'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 my procedures disclosed no material instances of non-compliance 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 New Orleans Educational Talent Search Program, Inc. has not complied, in all material respects, with those requirements.

This report is intended for the information of the Board of Directors, management and the State of Louisiana. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

CHARLES F. WEBB

CERTIFIED PUBLIC ACCOUNTANT

**REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENT APPLICABLE TO
NON-MAJOR PROGRAM TRANSACTION**

To the Board of Directors
New Orleans Educational Talent Search Program, Inc.
4215 S. Claiborne Avenue
New Orleans, LA 70123

I have audited the basic financial statements of New Orleans Educational Talent Search Program, Inc., as of and for the year ended June 30, 1996, and have issued my report thereon dated January 15, 1997.

In connection with my audit of the June 30, 1996 financial statements of New Orleans Educational Talent Search Program, Inc., and with my study and evaluation of the agency's internal control structure used to administer federal programs, as required by Office of Management and Budget Circular A-133, "Audit of Institutions of Higher Education and Other Non-Profit Organizations," I selected certain transactions applicable to certain non-major federal financial assistance programs for the years ended June 30, 1996. As required by circular A-133, I have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed and eligibility that are applicable to those transactions. My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Agency'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 requirements listed in the preceding paragraph. With respect to items not tested, nothing came to my attention that caused me to believe that New Orleans Educational Talent Search Program, Inc., had not complied, in all material respects, with those requirements.

This report is intended for the information of the Board of Directors, management and the State of Louisiana. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



Charles F. Webb
Certified Public Accountant

January 15, 1997



Charles F. Webb
Certified Public Accountant

January 15, 1987

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

To the Board of Directors
New Orleans Educational Talent Search Program, Inc.
4215 S. Claiborne Avenue
New Orleans, LA 70135

I have audited the basic financial statements of New Orleans Educational Talent Search Program, Inc. as of and for the year ended June 30, 1996 and have issued my report thereon dated December 11, 1996.

I have also audited New Orleans Educational Talent Search Program, Inc.'s compliance with the requirements governing types of services allowed or unallowed; eligibility; matching; level of effort, or cost-sharing; reporting; claims for advances and reimbursements; and amounts claimed or used for matching 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 June 30, 1996. The management of New Orleans Educational Talent Search Program, Inc. is responsible for the New Orleans Educational Talent Search Program, Inc. compliance with those requirements. My responsibility is to express an opinion on compliance with those requirements based on my audit.

I conducted my 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 (OMB) Circular A-133, "Audit of Institutions of Higher Education and other Nonprofit Organizations". Those standard 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 New Orleans Educational Talent Search Program, Inc.'s compliance with those requirements. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, New Orleans Educational Talent Search Program, Inc. complied in all material respects, with the requirements governing types of services allowed or unallowed; eligibility; matching; level of effort, or cost-sharing; reporting; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs, for the year ended June 30, 1996.

This report is intended for the information of the Board of Directors, management and the State of Louisiana. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

CHARLES F. WEBB

CERTIFIED PUBLIC ACCOUNTANT

**REPORT ON COMPLIANCE WITH LAWS, REGULATIONS, CONTRACTS AND
GRANTS BASED ON AN AUDIT OF BASIC FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
New Orleans Educational Talent Search Program, Inc.
4215 S. Chalmette Avenue
New Orleans, La. 70125

I have audited the financial statements of New Orleans Educational Talent Search Program, Inc., as of and for the year ended June 30, 1986, and have issued my report thereon dated January 15, 1987.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.

Compliance with laws, regulations, contracts, and grants applicable to New Orleans Educational Talent Search Program, Inc.'s is the responsibility of New Orleans Educational Talent Search Program, Inc. management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of New Orleans Educational Talent Search Program, Inc.'s compliance with certain provisions of laws, regulations, contracts and grants. However, my objective 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 herein under Government Auditing Standards.

This report is intended for the information of the Board of Directors, management and the State of Louisiana. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



Charles F. Webb
Certified Public Accountant

January 15, 1987

COMPLIANCE REPORTS

NEW ORLEANS EDUCATIONAL TALENT SEARCH PROGRAM, INC.
BALANCE SHEET
JUNE 30, 1999

ASSETS

Current Assets		
Grant Receivable	\$ 14,041	
Total Current Asset	\$ 14,041	\$ 14,041
		<hr/>
Total Asset		\$ 14,041

LIABILITIES AND FUND BALANCE

Liabilities		
Accounts Payable	\$ 14,041	
Total Liabilities	\$ 14,041	\$ 14,041
Fund Balance		
Fund Balance Restricted	0	
Total Liabilities		0
Total Liabilities and Fund Balance		\$ 14,041

(See auditor's report and notes to the financial statement.)

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, I have classified the significant internal control structure policies and procedures used in administering federal programs in the following categories:

Accounting Applications

1. Billings (in regards to reimbursement requests)
2. Cash Receipts
3. Cash Disbursements
4. Revenues and Receivables
5. Purchasing
6. Payroll
7. Property and Equipment

Controls used in Administering Federal Programs

General Requirements

- Political Activity
- Civil Rights
- Cash Management
- Federal Financial Reports
- Drug Free Workplace

Specific Requirements

- Types of Services
- Eligibility of Cost
- Cost Allocation
- Cost Incurred in Approved Period
- Over Budgets and Revisions

For all of the internal control structure categories listed above, 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.

CHARLES F. WEBB

CHIEF PUBLIC ACCOUNTANT

REPORT ON BASIC FINANCIAL STATEMENTS AND SCHEDULE OF FEDERAL AWARDS

New Orleans Educational Talent Search Program, Inc.
4215 S. Claiborne Avenue
New Orleans, LA 70125

I have audited the accompanying balance sheet of New Orleans Educational Talent Search Program, Inc., as of June 30, 1996, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of New Orleans Educational Talent Search Program, Inc., 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 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 my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position New Orleans Educational Talent Search Program, Inc., as of June 30, 1996, and its cash flows for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have issued a report dated January 15, 1997 on my consideration of New Orleans Educational Talent Search Program, Inc.'s internal control structure and report dated January 15, 1997 on compliance with laws and regulation.

My examination was for the purpose of forming an opinion on the financial statement of the combined program funds administered by New Orleans Educational Talent Search Program, Inc. and includes only those transactions for the program activity described in Note A. These financial statements do not include the assets, liabilities, fund balances, revenues, and expenses of New Orleans Educational Talent Search Program, Inc. taken as a whole.

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 considered to be material weaknesses as defined above.

This report is intended for the information of the audit committee, management, and others within the organization and appropriate state and federal agencies. However, this report is a matter of public record and its distribution is not limited.


Charles F. Webb

Certified Public Accountant

January 15, 1997

For the purpose of this report, I have classified the significant internal control structure policies and procedures in the following categories:

Accounting Applications

1. Billings (in regards to reimbursed reports)
2. Cash Receipts
3. Cash Disbursements
4. Revenue and Receivable
5. Purchasing
6. Payroll
7. Property and Equipment

Controls used in Administering Federal Programs

General Requirements

- Political Activity
- Civil Rights
- Cash Management
- Federal Financial Reports

Specific Requirements

- Types of Services
- Eligibility of Cost
- Cost Allocation
- Cost Incurred in Approved Period
- Over Budgets and Revisions

For all of the internal control categories listed above, 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.

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 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 function.

INTERNAL REPORT ON THE INTERNAL CONTROL STRUCTURE BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GAS

To the Board of Directors
New Orleans Educational Talent Search Program, Inc.
4315 S. Claiborne Avenue
New Orleans, LA 70125

I have audited the financial statements of New Orleans Educational Talent Search Program, Inc. as of and for the years ended June 30, 1996, and have issued my report thereon dated January 15, 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. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of New Orleans Educational Talent Search Program, Inc. 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 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 basic 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 my audit of the financial statements of New Orleans Educational Talent Search Program, Inc. for the year ended June 30, 1996, I obtained an understanding of the internal control structure. With respect to 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 financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

INTERNAL CONTROL REPORTS

NOTE E - ECONOMIC DEPENDENCY

The agency receives the majority of its revenue from funds provided through grants administered by various state and city agencies. If significant budget cuts are made at the federal, state and/or city level, the amount of the funds the organization receives could be reduced significantly and have an adverse impact on its operation. Management is not aware of any actions that will adversely affect the amount of funds it will receive in the next fiscal year.

Drug Prevention Community Outreach Initiative - Contract # 57581 - designed to both disseminate information and increase awareness among youth to the harms of alcohol and drug abuse.

Project Independence - Contract # 66387 - which provides job readiness training, job search assistance and personal assistance.

NOTE B - EXEMPT STATUS

The corporation is tax exempt under provision of Section 501 (c) (3) of the Internal Revenue Code and have met all of the applicable provisions of the law.

NOTE C - LAND, BUILDING AND EQUIPMENT, NET

Fixed assets are stated at cost. Donated property and equipment are stated at fair market value at the date of donation. Depreciation is computed using the straight line method over the estimated useful lives of the assets.

Total fixed assets as of June 30, 1996 was valued at \$ -0-. Fixed assets consisted of the following categories:

Description	Life	Date Acq.	Cost	Accum. Depr.	Book 6-30-96
IBM System 38 and Peripheral	5yrs	1994	240,000	240,000	0
Furniture & Office Equipment	5yrs	Var	21,154	21,154	0
Total			<u>261,154</u>	<u>261,154</u>	<u>0</u>

NOTE D - COMPENSATION TO DIRECTORS

The members of the Board of Directors received no compensation for services related to the governing of this agency or any of its programs nor were there any accounts made for these activities during the period being audited.

NEW ORLEANS EDUCATIONAL TALENT SEARCH PROGRAM, INC.
NOTES TO FINANCIAL STATEMENTS

For Year Ended June 30, 1996

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

New Orleans Educational Talent Search Program, Inc. is a Non-Profit Organization established to provide social services to residents of New Orleans, La. The source of revenue comes from the Department of Health and Hospitals, Office of Alcohol and Drug Abuse and Department of Social Services, Office of Family Support.

Presentation of Financial Statements

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles. They are prepared on the accrual basis of accounting.

Fund Accounting

The accounts of the agency are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liability, fund equity, revenue and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are spent and the means by which spending activities are controlled. The funds disclosed in these financial statements are the current restricted and food assets funds.

Financial Statements

The financial statements of the grants presented in this report includes only grant numbers #37612, #37583 and # 86587.

Drug Prevention Program - Contract # 57612 - which provides drug education on prevention activities in schools, homes, and the community at large.

NEW ORLEANS EDUCATIONAL TALENT SEARCH, INC.
STATEMENT OF REVENUE AND SUPPORT
FOR THE YEAR ENDED
JUNE 30, 1998

	Project Independ	Drug Prevent Program	Drug Prevent Outreach	TOTAL
Revenue				
Grant Revenue	\$ 100,000	\$ 110,000	\$ 50,000	\$ 260,000
Total Revenue	<u>100,000</u>	<u>110,000</u>	<u>50,000</u>	<u>260,000</u>
Expenses				
Salaries	58,758	60,309	26,500	145,567
Payroll Taxes	10,590	6,290	6,092	22,972
Travel	0	750	3,144	3,894
Professional Service	1,100	14,100	1,200	16,400
Program Service	8,613			8,613
Rent	4,300	21,250	7,500	33,050
Telephone	2,111	600	600	3,311
Supplies	7,580	1,500	1,800	10,880
Postage	300	300	1,000	1,600
Utilities	1,342	0	1,250	2,592
Operating Expense	3,100	4,474	1,304	8,878
Miscellaneous	1,869			1,869
Total Expenses	<u>100,000</u>	<u>110,000</u>	<u>50,000</u>	<u>260,000</u>
Excess Revenue over Expenditure	0	0	0	0
Fund Balance Beginning	0	0	0	0
Fund Balance Ending	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

See auditor's report and notes to financial statement

FINANCIAL STATEMENTS

My audit was made for the purpose of forming an opinion on the basic financial statements of New Orleans Educational Talent Search Program, Inc. taken as a whole. The accompanying Schedule of Federal Awards for the years ended June 30, 1996 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information in that Schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Charles F. Webb
Certified Public Accountant

January 13, 1997

During the year ended June 30, 1996 New Orleans Educational Talent Search Program, Inc., expended 100% of its total federal awards under non-major programs.

I performed test of controls as required by OMB Circular A.133 to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that I considered relevant to 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 organization's major program, which are identified in the accompanying schedule of federal awards. My procedures were less in scope that would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, I do not express such an opinion.

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

This report is intended for the information of the audit committee, management, and others within the organization and appropriate state and federal agencies. However, this report is a matter of public record and its distribution is not limited.



Charles F. Webb
Certified Public Accountant

January 15, 1997