

**NOTE 2 -- CASH AND CASH EQUIVALENTS**

As June 30, 1996, the PMA has cash and cash equivalents totaling \$4,417.88 as follows:

Interest Bearing Demand Deposits	\$4,417.88
Time deposits	
petty cash	
cash with Fiscal Agent	
<b>Total</b>	<b>\$4,417.88</b>

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 June 30, 1996, the PMA has \$4,417.88 in deposits (collected bank balances). These deposits are secured from risk by \$200,000.00 of Federal deposit insurance and 3 3/4% of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 1). Even though the pledger securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 59:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 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 \$876.66 as June 30, 1996 are as follows:

General Fund:	
Tenant Accounts Receivables	698.23
Special Revenue Fund:	
Tenant Accounts Receivables	177.43
<b>Total Receivables</b>	<b>\$876.66</b>

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Society of Industries (SI)  
American Institute of CPAs

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

**BOARD OF COMMISSIONERS**  
**HOUSING AUTHORITY OF THE PARISH OF EAST CARROLL**  
**LAKE PROVIDENCE, LOUISIANA 71364**

I have audited the general purpose financial statements of the Housing Authority of the Parish of East Carroll (PHA), as of and for the year ended June 30, 1988, and have issued my report thereon dated May 13, 1989.

I have applied procedures to test the PHA'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 June 30, 1988 .

Political Activity	Federal Financial Report
Debar-Excess Act	Allowable Costs/ Cost
Civil Rights	Principles
Cash Management	Drug Free Workplace Act
Relocation Assistance and Real Property Acquisition	Administrative Requirements

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 PHA'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 PHA had not complied, in all material respects, with those requirements. However, if as a result 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.

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**NOTE 4--FIXED ASSETS**

The changes in general fixed assets are as follows:

General Fund:	
Land, Structures & Equipment	
Beginning Balance	1,707,371.29
Net Changes	5,214.96
Ending Balance	1,712,586.25
CIAP	
Beginning & Ending Balance	79,499.00
CIAP 1993	
Beginning Balance	88,443.01
Net Changes	1,371.89
Ending Balance	89,814.90
CIAP 1994	
Beginning Balance	3,135.80
Net Changes	178,765.80
Ending Balance	181,901.60
Total General Fund	2,023,892.45

**Special Revenue Funds**

FmFA	
Beginning Balance	24,683.79
Net Changes	8,997.99
Ending Balance	33,681.78

Other Non FED	
Beginning & Ending Balance	142,929.61

TOTAL LAND, STRUCTURES & EQUIPMENT	2,190,494.05
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Fixed assets are pledged to FED pursuant to the Annual Contributions Contract as collateral for obligations owed to the US Government. The building cost includes 5 % N/A of ineligible expenditures as determined by FED.

**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.

#### **E. 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.

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INDEPENDENT AUDITORS' REPORT

BOARD OF COMMISSIONERS  
HOUSING AUTHORITY OF THE PARISH OF EAST CARROLL  
LAKE PROVIDENCE, LOUISIANA 71224

I have audited the accompanying general purpose financial statements of the Housing Authority of The Parish of East Carroll (PHA) as of and for the year ended June 30, 1999, as listed in the foregoing table of contents. These general purpose financial statements are the responsibility of the PHA'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-130, Audits of State and Local Governments. These standards and OMB circular A-130 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 The Parish of East Carroll as of June 30, 1999, and the results of its operations and changes in its surplus 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 May 23, 1997 on my consideration of the PMA's internal control structure and a report dated May 23, 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 Housing Authority of The Parish of East Carroll. 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 an 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:

	GAAP BASIS	REGULATORY BASIS
<b>Financial Statement Presentation</b>		
Fund Accounting	Used	Not Used
Facilities Acquisition and Construction	Expenditure	capitalized
Routine 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 PBA, and for filing with the Department of HUD and should not be used for any other purpose.

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 William Daniel McCaskill, CPA  
 A Professional Accounting Corporation

May 11, 1997



GENERAL LEDGER TO THE BALANCE SHEET

FOR THE YEAR ENDED DECEMBER 31, 1958

ASSETS

ACCOUNT	Balance	Debit	Credit	Total
Cash	1,000.00			1,000.00
Accounts Receivable	2,000.00			2,000.00
Inventory	3,000.00			3,000.00
Prepaid Expenses	500.00			500.00
Fixed Assets	10,000.00			10,000.00
Other Assets	1,500.00			1,500.00
<b>Total</b>	<b>18,000.00</b>			<b>18,000.00</b>

LIABILITIES

ACCOUNT	Balance	Debit	Credit	Total
Accounts Payable	2,000.00			2,000.00
Notes Payable	3,000.00			3,000.00
Other Liabilities	3,000.00			3,000.00
Equity	10,000.00			10,000.00
<b>Total</b>	<b>18,000.00</b>			<b>18,000.00</b>

INCOME STATEMENT

ACCOUNT	Debit	Credit	Total
Revenue		10,000.00	10,000.00
Cost of Goods Sold	4,000.00		4,000.00
Operating Expenses	2,000.00		2,000.00
Other Expenses	1,000.00		1,000.00
Income Before Taxes		3,000.00	3,000.00
Taxes	500.00		500.00
Net Income		2,500.00	2,500.00
<b>Total</b>	<b>7,500.00</b>	<b>7,500.00</b>	<b>7,500.00</b>

See notes to financial statements



**THE HOUSING AUTHORITY OF THE PARISH OF EAST CARROLL  
LAKE PROVIDENCE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS**

Housing Authorities are chartered as a public corporation under the laws (LSA-RS 10:1381) of the State of Louisiana for the purpose of providing safe and sanitary dwelling accommodations for the residents of East Carroll Parish, Louisiana. This creation was contingent upon the local governing body of the city or parish. The PMA is governed by a five member Board of Commissioners. The members, appointed by the East Carroll Parish Police Jury, 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	PE-2181	40

East Carroll Rural Housing, Inc.  
A non profit organization which  
is a component unit of the PMA:

REHA	N/A	4
Other	N/A	11

**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

CASE 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.

During the course of this audit, we became aware that the PMA has a component unit. The East Carroll Rural Housing, Inc. is a non profit organization which owns and operates 18 rental houses. We determined through a decision tree that the organization is a component unit and the financial statements of the component unit should have always been included with the PMA financials, but never were. We have included the financial statements in this audit report. We have determined that the component unit has no audit responsibility. However, the Board of Commissioners did increase the scope of our audit to include the component unit. Therefore, the component unit's financials, as presented, are covered by this audit.

Since the component unit has never before been subject to audit, we found many balance sheet accounts that are inaccurate. We have included adjusting journal entries to correct these accounts.

## 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 FMA 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 FMA's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or 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 FMA accounts for all financial resources, except those required to be accounted for in other funds.
2. Debt Service Fund--accounts for transactions relating to resources retained and used for the payment of principal and interest on those long term obligations recorded in the general long term obligations account group.
3. Capital Projects Funds--account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

Fiduciary funds--Fiduciary funds account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the FMA. Fiduciary funds include:

1. Tenant Security Deposits--accounts for assets held by the FMA as an agent for the individual residents. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

## B. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet, operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by all governmental funds and agency funds. The governmental funds use the following practices in recording revenues and expenditures:

**Grants**--Federal entitlements are recorded as unrestricted grants-in-aid when available and measurable. Federal restricted grants are recorded when the reimbursable expenditures have been incurred.

Rental income is recorded in the month earned.

Interest earnings on time deposits are recorded when the time deposits have matured and the interest is available. Interest income on interest-bearing demand deposits is recorded each month when credited by the bank to the account.

Substantially all other revenues are recorded when they become available to the FMA.

**Expenditures**--Salaries are recorded as expenditures when paid.

Purchases of various operating supplies are recorded as expenditures in the accounting period they are purchased.

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**--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.



The cost of current leave privileges, computed in accordance with GAAP Codification Section 640, 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 of employees with 10 years service to a maximum of 26 days at their current annual salary.

The PMA has been paying staff for accumulated annual leave rather than requiring the staff to take the time off. We are unable to determine if this practice is allowable under State and Federal Law and regulations. Additionally, we are unable to determine the amount of uncompensated absences payable as of 6-30-96.

#### **E. 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.

#### **F. FUND EQUITY**

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

#### **G. 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. Nonrecurring or non routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

#### **H. 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.

#### **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 PRA 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 PRA follows Louisiana Civil Service regulations for accumulated annual and sick leave. Employees may accumulate up to 360 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.

**NOTE 5--RETIREMENT SYSTEM**

The PMA participates in the social security system.

**NOTE 6--ACCOUNTS PAYABLE**

The payables of \$4,224.07 at June 30, 1996 are as follows:

General Fund	4,224.07
Special Revenue Fund	153.00
Total Accounts Payable	4,224.07

**NOTE 7--CHANGES IN AGENCY FUND DEPOSITS AND OTHERS**

Beginning Balance	3,588.00
Net Change	578.00
Ending Balance	3,876.00

**NOTE 8--CHANGES IN LONG TERM OBLIGATIONS**

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

Note Payable to FARA @ 12-31-95	10,007.50
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The only note due is executed by the component unit. The PMA has been recording all payments to FARA as principal payments since the inception of the note, whereas almost all payments have been interest. We corrected the principal balance on the general ledger. We could not, however, determine the principal and interest payments for the next five years. We confirmed that the monthly payments of \$192.50 are and have been correct.

**NOTE 9--INTERFUND ASSETS/LIABILITIES**

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

The only interfund receivables are to and from the FARA and the Non HUD programs, which are both accounted for on the component unit's balance sheet. The corrected amount due from the Non HUD to FARA is \$26,982.27.

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 believe none of the reportable conditions described above is a material weakness.

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



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William Daniel McCoskill, CPA  
A Professional Accounting Corporation

May 13, 1997

I strongly suggest that the PMA adopt a policy of accepting no cash payments from tenants. A policy of only accepting money orders or cashiers checks is not only an excellent internal control matter but also a safety issue of staff not having to handle large amounts of cash.

The staff should use the Section 8 Housing Quality Standards inspection forms for the annual unit inspections. I provided the staff with this form and the staff inspected subsequent units utilizing it.

In reviewing the 1995 PHRAP indicator worksheets, I determined that the staff was incorrectly calculating at least 3 indicators. The score of 97.34% would be decreased if the indicators were changed. Instead of re-filing the 1995 worksheet, the staff intends to calculate the 1996 worksheet correctly.

It is noted that the year end reports to HUD include 3 assets that are on the component unit's balance sheet, not the PMA balance sheet, in the amounts of \$482.93 and \$1,948.13. The component unit maintains 3 balance sheets. I suggest that since the component unit only includes 18 rental houses, the 3 balance sheets be combined into 1 for simplification.

WILLIAM DANIEL MCCASKILL, CPA  
J. ROBERTSON, COUNTY CLERK

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GREENSBORO, N.C. 27403

12/28/78  
WM to  
12-20-448

REC-1  
County of Guilford, CPA  
Municipal Institute of CPA's

MANAGEMENT LETTER

This small Public Hearing Authority (PHA) had more than it's share of problems. While some of these comments could be considered as findings, I am writing them as a comprehensive Management Letter instead.

The PHA's Board of Commissioners indicated that the Police Jury took over the administration of the Section 8 Program a number of years ago. They indicate that the Police Jury seized a bank account of the PHA with a balance in excess of \$25,000.00 and quite a bit of office equipment as well. I question whether this was a legal action and hereby ask HUD to determine whether or not the seizure of the program and it's assets was legal.

The PHA may own units in a flood zone. If so, the units must be covered by flood insurance which HUD will pay for. As soon as possible, the PHA must determine if this is the case and purchase the insurance if it is.

The cost allocation between the PHA and it's component unit has not, in the past, been based on an accepted method. In February 1978, the fee accountant changed the allocations to percentages that are close to a "number of units method". I suggest that the PHA adopt an allocation method based on some identifiable and reasonable method.

I suggest that the Board request that the Parish waive the Payment in Lieu of Taxes immediately and for the future until the PHA returns to a solvent position.

The PHA staff should deliver any paperwork to be provided at board meetings to the Commissioners 2 weeks in advance of any board meeting. At a board meeting in 3-27, the Commissioners were handed a long and detailed operating budget for approval without adequate time to study it. Additionally, the monthly meeting should include financial statements as provided by the fee accountant for their review. The Commissioners should compare budget vs. actual expenditures and require staff to document any expenditures they wish detailed. The Board has adopted Roberts Rules of Order and should abide by them.

The Board of Commissioners should vote to approve any Tenant Accounts Receivable write off's.

**Finding Number 13**

**Statement of Conditions--**The component unit's financial records are in very poor shape. There are a number of balance sheet accounts that have accumulated incorrect amounts for years. We did the best that we could to correct the balance sheet as of the audit date but could not confirm all accounts, as described in Note 12.

**Criteria--**The entity should review the financial records and ensure that they are correct.

**Effect--**The entity lacks control over its assets.

**Cause--**The entity has never before been audited and the entity has not kept accurate records.

**FRA Response--**Since this is our first component unit audit, we have just become aware of this. We will have the financials corrected and keep them that way. We point out that we have had the component unit audited even though it has no legal audit requirement.

**Finding Number 3**

**Statement of Conditions--**In the previous fiscal year, the PMA violated State Law by paying the estate of a former staff member \$7,370.00 of terminal leave payments.

**Criteria--**State Law only allows the payment of up to 300 hours of leave payments, which would have been in the range of \$2,010.00.

**Cause--**The PMA was not aware of this STATE LAW.

**PMA Response--**The PMA was not aware of this State Law.

**Finding Number 4**

**Statement of Conditions--**The PMA does not have a physical inventory balanced with the general ledger.

**Criteria--**The PMA should take an annual physical inventory and balance it to the general ledger.

**Effect--**The PMA does not have adequate control over it's physical assets.

**PMA Response--**We will take a physical inventory this year and balance the general ledger to it.

**Finding Number 5**

**Statement of Conditions--**This audit is late per state law.

**Criteria--**State law requires governmental audits to be completed within 6 months of the end of the entity's fiscal year.

**Cause--**The PMA did not provide the audit firm with the component unit charter and By Laws until late in December 1990, despite repeated requests by the audit firm. At that time, we determined that the non profit was a component unit and that the financials should be presented with the PMA's. The lateness of this component unit determination did not allow the audit to be completed within the deadline.

**PMA Response--**Now that we realize that we have a component unit, we will include it in future RFP's for audit and see that the audits are completed timely.



**Finding Number 5**

**Statement of Conditions--**The PMA overran the 1996 budget in 3 categories by approximately \$1,200.00. Additionally, the PMA deferred \$2,177.80 of expenditures which should have been expensed in the 1996 fiscal year.

The financial accounting is usually months late and the board never reviews it for propriety as well as to determine if they are within the budget.

**Criteria--**As noted in Finding number 4 above, the PMA should operate at a level to ensure positive operating reserves and positive cash in the bank. A strict budget providing for a net profit should be adopted and strictly adhered to. The board should review current finances with each board meeting.

**Effect--**The PMA is operating without controlling its budgeted expenditures.

**PMA Response--** We will have the staff present and describe the monthly finances at each board meeting.

**Finding Number 6**

**Statement of Conditions--**The PMA has not had adequate control over its tenant accounting. The rent register does not match the general ledger as to Tenant Accounts Receivable and Tenant Security Deposits. At year end, the imbalance is \$332.00 for Tenant Accounts Receivable and \$60.00 for Tenants Security Deposits. The general ledger account # 1120, deposits over and under is out of balance each month during the fiscal year.

The same situation exists for the component unit, with the end of year imbalances being \$487.41 and \$1,483.23.

**Criteria--**The general ledger should equal the rent register at all times. Account 1120 should only have deposits in transit recorded in it and they should zero out the following month.

**Effect--**The PMA is exposed to unnecessary loss due to inadequate control.

**Cause--**The computer software that the PMA purchased has not included adequate training to allow the staff to rely on it. The staff has not balanced the rent register to the rent register.

**PMA Response--**Since the auditor pointed this condition out to us, we have done a better job of matching the rent register with the general ledger and account 1120 is now in line.

**PMA Response--**

We will contact our attorney and take whatever steps are necessary to conduct our business exactly according to the law and federal regulation.

**Finding Number 4**

**Statement of Conditions--**The PMA's operating reserves are dangerously low and have been going in a negative direction for at least the last 3 years. Operating Reserves have decreased \$9,484.08 in 1985, \$4,849.24 in 1986, and are projected to decrease another \$2,992.80 in 1987. The projected ending Operating Reserve balance in 1987 is \$1,022.28. The general ledger bank balance has shown an overdraw status for 7 out of the 12 months of the fiscal year.

The PMA has been contracting out maintenance services both for the PMA and the component unit that could be handled by the PMA maintenance man, saving the entity money. The component unit has been paying maintenance contract costs equal to 89% of the amount of rents collected. That represents a 161% increase from 1984 to 1986. The PMA has 40 units and the component unit has 15 units. HUD guidelines are that 1 maintenance man should be able to handle up to 35 units. The component unit has been paying the Executive Director's husband 8% of the rent collections. This calculation includes section 8 checks mailed by the police jury to the central office. The staff should collect the rent without any additional cost to the entity.

The component unit never charges tenants for damages to units.

**Criteria--**The PMA should operate at a level to assure positive operating reserves and positive cash in the bank. A strict budget providing for a net profit should be adopted and strictly adhered to. The board should review current financials with each board meeting.

**Effect--**Unless the PMA reverses these trends, it could face bankruptcy.

**Cause--**The PMA has spent more than it earns for the last number of years.

**PMA Response--**As a short term solution, we have requested a \$10,000.00 infusion of cash into our operating reserves from our current Modernization Program.

**Finding Number 2**

**Statement of Conditions**--As noted in finding number 1, there is a conflict of interest whereby the Executive Director's husband performs maintenance and other work for the FSA and its component unit. He is paid by the FSA in the name of T&D Construction and by the component unit in his name personally. Of the 19 payments tested, 16 did not have supporting documentation attached.

**Criteria**--All payments made should have supporting documentation attached.

**Effect**--The entity cannot substantiate the expenditures.

**FSA Response**-- The Board has instructed the staff that all checks prepared for signature have appropriate documentation attached.

**Finding Number 3**

**Statement of Conditions**--The East Carroll Rural Housing, Inc. owns 4 houses that have FSA Mortgages. The USDA indicated that the entity is not in compliance with the USDA loan requirements, as follows:

1. No waiting list maintained by project management.
2. No applications maintained by project management.
3. No incomes verified by project management.
4. No leases with original signatures maintained by project management.
5. No tenant certification with signatures maintained by project management.
6. No project sign at office.
7. No new Management Plan or Management Agreement.
8. No Identity of Interest forms maintained.

**Criteria**--The above conditions are self explanatory as to what should be maintained.

**Effect**--The entity is in non compliance with USDA policies and the mortgage agreements.

**Cause**--For items 1 through 5, the entity indicates that the 4 houses are on the Police Jury administered Section 8 Program. As such, the Police Jury should keep the waiting list, complete and verify applications, provide leases and tenant certifications. The Police Jury's position is that the tenant information is confidential and they refuse to release it.

My position is that, if the entity cannot house these tenants in a lawful manner, then the entity should not participate in the Section 8 Program and should abide by the USDA requirements.

For items 6 through 8, the entity should comply with the USDA requirements.

When the Board was advised that this action probably did not resolve the conflict of interest, the Board Chairman covered all duties and compensation of the Executive Directors himself.

(B) The FSA has not utilized the services of this Assistant District Attorney for some time.

Housing Authority of the Parish of East Carroll  
 Lake Providence, Louisiana 71324  
 Schedule of Adjusting Journal Entries

June 30, 1995

Account Number	Description	Debit	Credit
SOS HUD PROGRAM			
	(3)		
1128.00	Deposits Over & Under	1,483.33	
1129.00	AN SS Due From HO		882.88
1129.01	AN Other	8,818.00	
2118.00	Other Payable	18,486.89	
2118.00	Account Payable Feds Program		25,982.27

This is to correct the interfund receivables between the component unit's funds. The net payable to the Feds balance sheet is 25,982.27.

	(4)		
1362.00	Investments		1,948.15
1311.00	Prepaid Insurance		488.00
2339.00	Other Liabilities	574.88	
2200.00	Other Deferred Credits	647.45	
4010.00	Prior Year Adjustments Affecting Residual Receipts	1,187.32	

This is to zero out old, unidentified balance sheet accounts.

WILLIAM DANIEL McCAUSKILL, CPA  
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under  
auditor of Louisiana CPA's  
American Institute of CPAs

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

BOARD OF COMMISSIONERS  
HOUSING AUTHORITY OF THE PARISH OF EAST CARROLL  
MONROE, LOUISIANA 71224

I have audited the general purpose financial statements of the Housing Authority of The Parish of East Carroll (HPA), as of and for the year ended June 30, 1987, and have issued my report thereon dated May 13, 1987. These financial statements are the responsibility of the HPA'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. These 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 The Parish of East Carroll 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 McCauskill, CPA  
A Professional Accounting Corporation

May 13, 1987

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.

May 13, 1997



---

William Daniel McConhill, CPA  
A Professional Accounting Corporation

Housing Authority of the Parish of East Carroll  
 Lake Ferrissiere, Louisiana 71324  
 Schedule of Adjusting Journal Entries

June 30, 1998

Account# Number	Description	Debit	Credit
FEMA PROGRAM			
	(11)		
3161.00	Notes Payable -- FEMA	347.04	
3362.00	Notes Payable -- FEMA -- Reductions		17,189.16
6010.00	Prior Year Adjustments Affecting Residual Receipts	16,838.12	

The fee accountant has been recording all note payments to FEMA as principal reductions, whereas almost all of the payments have been interest. This reconciles the principal balance as of 12-31-95.

	(2)		
1125.00	Accounts Receivable-HUD		600.00
1126.00	Deposits Over & Under	487.41	
1129.00	Accounts Receivable-Other		5,974.06
1129.00	AA SH Due from HUD		16,566.48
1130.00	Other Payable	1,358.00	
1130.00	Accounts Receivable Non HUD	25,982.37	
6010.00	Prior Year Adjustments Affecting Residual Receipts		4,716.06

This is to correct the interfund receivables between the component unit's funds. The net receivable from the Non HUD balance sheet is 25,982.37.



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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 THE PARISH OF EAST CARROLL  
LAKE PROVIDENCE, LOUISIANA 71204

I have audited the general purpose financial statements of the Housing Authority of The Parish of East Carroll (PHA), as of and for the year ended June 30, 1997, and have issued my report thereon dated May 13, 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 PHA 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 PHA'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 HUD and should not be used for any other purpose. However, this report is a matter of public record and its distribution is not limited.

May 13, 1997

William Daniel McCaskill, CPA, ARAC

89/12



**HOUSING AUTHORITY OF THE PARISH OF EAST CARROLL  
LAKE PROVIDENCE, LOUISIANA.**

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

Under provisions of state law, this report is a public document. A copy of the report has been furnished to the Auditor, or authorized, entity and other agencies to public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date .....

**WILLIAM DANIEL MCCASSELL, CPA**  
Independent Accounting Corporation  
2111 LAKEVIEW DRIVE  
MOBILE, ALABAMA 36688

#### NOTE 10-COMMITMENTS AND CONTINGENCIES

The PMA is involved in a dispute with Civil Service and/or HUB over what the government may claim is an amount of wages due an employee.

A staff member may be filing an EEOC/Louisiana Human Rights complaint against the PMA.

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 June 30, 1998, 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.

No liability has been recorded on the general ledger of the PMA for any of these contingencies.

#### NOTE 11-UNRECORDED ACCOUNTS

The PMA has had an old account number 1377, Deposits With HUD, in the amount of \$9,089.18, which I could not confirm. The tax accountant believes the account to be correct.

The component unit includes 18 rental houses. Four of these houses are financed by PMA and have been depreciated. The accountant does not have a depreciation schedule that we could tie into. The 14 other houses have not been depreciated. We could not get the necessary documentation to record the cumulative depreciation on these 14 houses. Nor could we document the original asset values recorded on the general ledger for any of the houses themselves.

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 June 30, 1984 the FMA had no major federal financial assistance programs and expended 100% of its total federal financial assistance financial under the following nonmajor federal financial assistance programs: Low Income Housing and Comprehensive Improvement Assessment Plan.

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 nonmajor 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.

Because of the relatively small number of employees, the general ledger 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 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.

The management of the WIA 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  
PURCHASING  
INVESTMENTS  
COMMITMENTS  
PAYROLL  
RESERVE 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  
DRUG FREE WORKPLACE ACT  
ADMINISTRATIVE REQUIREMENTS  
  
SPECIFIC REQUIREMENTS  
ELIGIBILITY  
REPORTING  
SPECIAL TITLES & PROVISIONS  
TYPES OF SERVICES

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**INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL  
STRUCTURE USED IN ADMINISTERING FEDERAL  
FINANCIAL ASSISTANCE  
NO MAJOR PROGRAMS**

BOARD OF COMMISSIONERS  
HOUSING AUTHORITY OF THE PARISH OF EAST CARROLL  
LAKE PROVIDENCE, LOUISIANA 71254

I have audited the general purpose financial statements of the Housing Authority of The Parish of East Carroll (HPA), for the year ended June 30, 1986, and have issued my report thereon dated May 13, 1987.

I conducted our 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-133, Maxims of State and Local Governments. These standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing my audit for the year ended June 30, 1986, I considered the internal control structure of the HPA in order to determine my auditing procedures for the purpose of expressing my opinions on the HPA's general purpose financial statements and to report on the internal control structure in accordance with OMB Circular A-133. 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 financial statements in a separate report dated May 13, 1987.

In planning and performing my audit of the general purpose financial statements of the PMA, for the year ended June 30, 1980, 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 judgment, 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.

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 believe none of the reportable conditions described above is a material weakness.

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

May 13, 1987

  
William Daniel McCoskill, CPA, AFAC

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

BOARD OF COMMISSIONERS  
HOUSING AUTHORITY OF THE PARISH OF EAST CARROLL  
LAKE PROVIDENCE, LOUISIANA 71264

I have audited the general purpose financial statements of the Housing Authority of the Parish of East Carroll (HPA), as of and for the year ended June 30, 1990, and have issued my report thereon dated May 13, 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 general purpose financial statements are free of material misstatement.

The management of the HPA 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 recorded in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with accounting principles prescribed by HUD. 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.



Housing Authority Of the Parish of East Carroll      SCHEDULE VI  
 Lake Providence, Louisiana 71254  
 HA's Statement and Certification of Actual Modernization Costs  
 COMPLETED PROJECTS      LA48P262902 & LA48P262903  
 Annual Contributions Contract PW-2193  
 For The Year Ended June 30, 1996

1. The actual modernization costs of the project are as follows:

	PROJECT LA48P262902	PROJECT LA48P262903
Funds Approved	\$1,817.00	180,000.00
Funds Expended	\$1,817.00	180,000.00
Excess of Funds Approved	0.00	0.00

FUNDS ADVANCED

HED	\$1,817.00	180,000.00
Funds Expended	\$1,817.00	180,000.00
Excess of Funds Advanced	0.00	0.00

- The distribution of costs by project as shown on the Final Statement of Modernization Cost dated 7-24-96 accompanying the Actual Modernization Cost Certification submitted to HUD for approval are in agreement with the HA's records.
- All modernization costs have been paid and all related liabilities have been discharged through payment.

See notes to financial statements

Recurring activities of the Period of Year Covered  
 (See Footnote 1, page 32)  
 Schedule of Disbursements - (Financial) 2023  
 for the year ended June 30, 1984

CONTINUED

	1984 ACT. PERIOD as of 6-30-84	1983 ACT. PERIOD as of 12-31-83	1982 ACT. PERIOD as of 12-31-82
Unrecovered Capital			
Balance Per 12/31-beginning of Year	(184,775.24)	(24,779.00)	22,000.00
Deficit for the Year ended 6-30-84	(17,823.89)	22,523.73	(14,289.20)
Provision for Operating Reserve	4,844.21	0.00	0.00
Balance at End of Year	(197,754.92)	(1,734.27)	(7,568.20)
Unrecovered Operating-Operating Reserve			
Balance Per 12/31-beginning of Year	0,000.00	0.00	14,800.00
Provision for Operating Reserve	(4,844.21)	0.00	(1,137.32)
Balance at End of Year	0,000.00	0.00	14,562.68
Cumulative All Contributions			
Balance Per 12/31-beginning of Year	1,107,255.17	0.00	0.00
Operating Ability	36,733.00	0.00	0.00
Contributions for Rehabilitation	179,220.00	0.00	0.00
Balance at End of Year	1,323,208.17	0.00	0.00
Cumulative Reserves			
Balance Per 12/31	4,179.57	0.00	20,000.00
Total Surplus at Year End	3,021,238.82	(1,734.27)	27,492.68

SEE NOTES TO FINANCIAL STATEMENTS

Report of the Board of Directors of  
 The Western Assurance Co.  
 for the year ended Dec 31, 1916

TABLE 71a

for the year ended Dec 31, 1916

	1916 \$7, 000, 000 1915 and 1916 1914	1915 \$6, 000, 000 1914 and 1915 1913	1914 \$5, 000, 000 1913 and 1914 1912
<b>OPERATING REVENUE</b>			
Net Long Term	14, 000. 00	12, 000. 00	10, 000. 00
Interest Income	88. 00	88. 00	88. 00
Other Income	1, 000. 00	100. 00	200. 00
<b>Total Operating Revenue</b>	<u>15, 088. 00</u>	<u>12, 188. 00</u>	<u>10, 288. 00</u>
<b>OPERATING EXPENSES</b>			
Administrative	1, 000. 00	1, 000. 00	1, 000. 00
Depreciation	1. 00	1, 000. 00	1. 00
Other	1, 000. 00	100. 00	100. 00
Policy Maintenance and Operation	10, 000. 00	10, 000. 00	10, 000. 00
Other Expenses	1, 000. 00	100. 00	1, 000. 00
Retirement Maintenance	1, 000. 00	1. 00	1. 00
<b>Total Operating Expenses</b>	<u>15, 002. 00</u>	<u>12, 101. 00</u>	<u>12, 002. 00</u>
<b>NET OPERATING SURPLUS</b>	<u>86. 00</u>	<u>87. 00</u>	<u>86. 00</u>
<b>OTHER CHARGES</b>			
Long Term	1. 00	1, 000. 00	1, 000. 00
Other	1, 000. 00	1. 00	1. 00
Other	1, 000. 00	1. 00	1. 00
<b>Total Other Charges</b>	<u>2, 001. 00</u>	<u>1, 002. 00</u>	<u>2, 002. 00</u>
<b>NET</b>	<u>17, 087. 00</u>	<u>11, 186. 00</u>	<u>8, 286. 00</u>

see notes to financial statements

Review conducted by us on behalf of East Carol  
 State Employees' Association, LIA  
 (March 2007 - December 2007)

MEMBER LIST

June 30, 1995

ACCOUNT	1995		1996		1997	
	AS of 12-31-94	AS of 12-31-94	AS of 12-31-95	AS of 12-31-95	AS of 12-31-96	AS of 12-31-96
Cash	1,458.00	1,783.00	1,783.00	1,783.00	1,783.00	1,783.00
Investments	1.00	1.00	1.00	1.00	1.00	1.00
Accounts Receivable	1,028.21	10,048.21	10,048.21	10,048.21	10,048.21	10,048.21
Post Employment Pensions	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
Prepaid Charges	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
Land, Buildings and Equipment	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00
<b>TOTAL ASSETS</b>	<b>3,081,767.21</b>	<b>33,832.21</b>	<b>33,832.21</b>	<b>33,832.21</b>	<b>33,832.21</b>	<b>33,832.21</b>
<b>LIABILITIES AND DEFERRED</b>						
Accounts Payable	1,177.44	101.00	101.00	101.00	101.00	101.00
Notes Payable	1.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Accrued Liabilities	1,000.00	1.00	1.00	1.00	1.00	1.00
Deferred Credits	1.00	1.00	1.00	1.00	1.00	1.00
Prepaid Liabilities	1.00	1.00	1.00	1.00	1.00	1.00
<b>TOTAL LIABILITIES</b>	<b>2,179.44</b>	<b>10,104.00</b>	<b>10,104.00</b>	<b>10,104.00</b>	<b>10,104.00</b>	<b>10,104.00</b>
<b>Surplus</b>	<b>3,081,767.21</b>	<b>(7,271.79)</b>	<b>(7,271.79)</b>	<b>(7,271.79)</b>	<b>(7,271.79)</b>	<b>(7,271.79)</b>
<b>TOTAL LIABILITIES AND DEFERRED</b>	<b>3,081,767.21</b>	<b>12,832.21</b>	<b>12,832.21</b>	<b>12,832.21</b>	<b>12,832.21</b>	<b>12,832.21</b>

see notes to the financial statements

Housing Authority of the Parish of East Carroll  
 Lake Providence, Louisiana 71254  
 SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE  
 For the year Ended June 30, 1994

SCHEDULE 11

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 All programs are Nonmajor programs.

Program	CFOA NO.	Program Assistance	Program Expenditures
F g Department of Housing and Urban Development:			
Direct Programs:			
Low Income Housing	14-850	\$34,783.89	\$34,783.00
CIAP	14-853	178,520.59	160,136.99
		-----	-----
		\$213,304.48	\$194,919.99

see notes to financial statements

Public Agency of the People of the State of  
New York  
Department of Environmental Conservation  
Office of Air Quality Management

Form E-100 (Rev. 10-15-79)

ENR-100-10

ACTS OR PERMITS	1979		1980	
	NO. OF ACTS OR PERMITS	NO. OF ACTS OR PERMITS	NO. OF ACTS OR PERMITS	NO. OF ACTS OR PERMITS
ACTS:				
New and Renewal Permits	1,207	1,207	1,207	1,207
Renewals	2,207	2,207	2,207	2,207
Special Permits	1,207	1,207	1,207	1,207
Total	4,621	4,621	4,621	4,621
PERMITS:				
New and Renewal Permits	1,207	1,207	1,207	1,207
Renewals	1,207	1,207	1,207	1,207
Special Permits	1,207	1,207	1,207	1,207
Total	3,621	3,621	3,621	3,621

ACTS OR PERMITS

ACTS OR PERMITS

ACTS OR PERMITS

ACTS OR PERMITS

ACTS OR PERMITS

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ACTS OR PERMITS

ACTS OR PERMITS

ACTS OR PERMITS

See notes to financial statements.

Balance Authority of the President of the United States

FOR THE MONTH OF SEPTEMBER 1954  
 FOR THE MONTH OF SEPTEMBER 1954  
 FOR THE MONTH OF SEPTEMBER 1954

1954

	1954	1953	1952
<b>REVENUE</b>			
Gifts	1,000.00	2,000.00	1,000.00
Interest	50.00	100.00	50.00
Dividends	100.00	200.00	100.00
Income from the sale of property	1,000.00	2,000.00	1,000.00
Other	1,000.00	2,000.00	1,000.00
<b>EXPENSES</b>			
Salaries	1,000.00	2,000.00	1,000.00
Travel	1,000.00	2,000.00	1,000.00
Printing	1,000.00	2,000.00	1,000.00
Postage	1,000.00	2,000.00	1,000.00
Telephone	1,000.00	2,000.00	1,000.00
Office supplies	1,000.00	2,000.00	1,000.00
Repairs	1,000.00	2,000.00	1,000.00
Insurance	1,000.00	2,000.00	1,000.00
Utilities	1,000.00	2,000.00	1,000.00
Transportation	1,000.00	2,000.00	1,000.00
Entertainment	1,000.00	2,000.00	1,000.00
Gifts	1,000.00	2,000.00	1,000.00
Other	1,000.00	2,000.00	1,000.00
<b>NET INCOME</b>	1,000.00	2,000.00	1,000.00
<b>NET EXPENSES</b>	1,000.00	2,000.00	1,000.00
<b>NET BALANCE</b>	1,000.00	2,000.00	1,000.00

See notes for detailed statements

Being Authority of the Public of the State

of the State of New York, in and to wit: the County of Westchester, do hereby certify that the following is the true and correct copy of the original of the same as the same appears in the files of the County Clerk of the County of Westchester, New York, to-wit:

1920-1921

STATE OF NEW YORK

WESTCHESTER COUNTY

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1920-1921

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1920-1921

see notes to financial statements



WILLIAM DANIEL MCCASKILL, CPA

A PROFESSIONAL ACCOUNTING CORPORATION

OFFICE, SUITE 701

Report  
of the  
12-10-96

DATE  
Issued by William Daniel  
McCaskill, CPA  
Member Institute of CPA's

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

BOARD OF COMMISSIONERS  
HOUSING AUTHORITY OF THE PARISH OF EAST CARROLL  
LAKE PROVIDENCE, LOUISIANA 71294

I have audited the general purpose financial statements of the Housing Authority of The Parish of East Carroll (PHA), as of and for the year ended June 30, 1996, and have issued my report thereon dated May 11, 1997.

In connection with my audit of the general purpose financial statements of the PHA, and with my consideration of the PHA's control systems used to administer federal financial assistance programs, as required by OMB A-129, "Audits of State and local governments," I selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended June 30, 1996. As required by OMB A-129, I have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed; eligibility; reporting; rent limitations; annual rent adjustments; annual unit inspections; contracts prohibiting the use of lead based paint; procurement actions; analysis of general fund cash; 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 PHA'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 PHA had not complied, in all material respects, with these requirements. However, if the results of my procedures disclosed immaterial instances of noncompliance with these 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 you. This restriction is not intended to limit the distribution of this report, which is a matter of public record.  
May 19, 1997

William Daniel McCaskill, CPA, ARAC

**THE HOUSING AUTHORITY OF THE PARISH OF EAST CARROLL,  
LAKE PROVIDENCE, 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--**The PMA is in violation of Louisiana Revised Statute Title 42 Section 1119 by having conflicts of interest, as follows:

(A) The Executive Director of the PMA is in charge of day to day operations of the PMA. The By Laws of the component unit state that the PMA Executive Director shall administer the component unit, East Carroll Rural Housing Inc. The Executive Director's husband has received compensation from the PMA personally and in the name of TAB Construction. He has also received compensation from East Carroll Rural Housing Inc.

(B) The PMA had been represented in the past by an Assistant District Attorney. This may or may not be a conflict of interest since the PMA Board of Commissioners is appointed by the Police Jury.

(C) The component unit leases a number of houses to the Police Jury for the HUD Section 8 Program. One of the tenants is the sister of the Police Jury staff member that certifies individuals for tenancy. In this case, the PMA is probably not in violation of the conflict of interest rules but the Police Jury probably is.

**Criteria--**(A) LSA-R.S. 42:1119 indicates that an agency head's spouse cannot receive compensation from that agency. It defines an agency head as the chief executive, in this case the Executive Director.

**Effect--**The PMA is in violation of state law.

**PMA Response--**(A) The Board of Commissioners states that the Board hired the Executive Director's husband, thinking that their hiring him instead of the Executive Director hiring him would not involve a conflict of interest.

When the Board was advised of the possible conflict of interest, the Board removed the Executive Director from compensation and duties relating to the component unit.