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**SOCIALIZATION SERVICES , INC.
SHREVEPORT, LOUISIANA**

**REPORT ON EXAMINATION OF FINANCIAL STATEMENTS,
INTERNAL CONTROL AND COMPLIANCE**

JUNE 30, 1999

**JERRY L. WHITE
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19 COLMART WAY
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Release Date OCT 13 1999

SOCIALIZATION SERVICES , INC.
SHREVEPORT, LOUISIANA

REPORT ON EXAMINATION OF FINANCIAL STATEMENTS,
INTERNAL CONTROL AND COMPLIANCE
JUNE 30, 1999

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INDEPENDENT AUDITOR'S REPORT

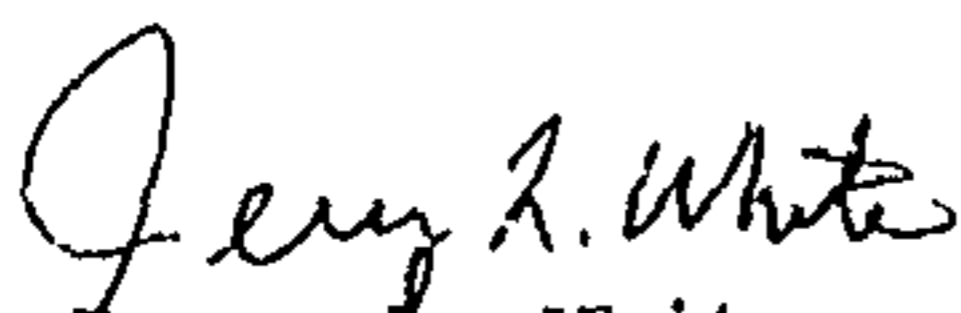
Board of Directors
Socialization Services, Inc.
Shreveport, Louisiana

I have audited the accompanying general purpose financial statements of Socialization Services, Inc., a non-profit corporation, as of June 30, 1999 and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the Corporation'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, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of the Office of Management and Budget Circular A-128, "Audits of State and Local Governments." 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 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 of Socialization Services, Inc., as of June 30, 1999, and the results of its operations and changes in financial position for the year then ended in conformity with generally accepted accounting principles.

My audit was made for the purpose of forming an opinion on the general purpose financial statements of the Socialization Services, Inc., taken as a whole. The accompanying financial information listed as supplementary financial information in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. 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 stated in all material respects in relation to the general purpose financial statements as a whole.



Jerry L. White
Certified Public Accountant

September 30, 1999

SOCIALIZATION SERVICES , INC.
 SHREVEPORT, LOUISIANA
 ALL FUND TYPES AND ACCOUNTS GROUPS
 COMBINED BALANCE SHEET
 For the Fiscal Year Ended June 30, 1999

| | <u>Elderly Affair Grant Fund</u> | <u>Alcohol And Drug Abuse</u> | <u>General Fund</u> |
|--|--|---|-------------------------|
| ASSETS | | | |
| Cash | \$ | \$ 7,755 | \$ 19,011 |
| Grant Receivable (3) | | | 4,810 |
| Employee Advances Due from Elderly Fund Furniture and Equipment | | | |
| Amt to be provided for retirement of general long-term debt (5) | | | |
| | ----- | ----- | ----- |
| TOTAL ASSETS | \$ | \$ 7,755 | \$ 23,821 |
| | ===== | ===== | ===== |
| LIABILITIES AND FUND EQUITY | | | |
| Liabilities: | \$ | \$ | \$ |
| Bank Overdraft | | | |
| Taxes Payable | 7 | | |
| Due to General Fund Accounts Payable Loans Payable (5) | | | |
| | ----- | ----- | ----- |
| TOTAL LIABILITIES | 7 | | |
| Fund Equity: | | | |
| Investment in general fixed assets | | | |
| Fund Balance: | | | |
| Unreserved | (7) | 7,755 | 23,821 |
| | ----- | ----- | ----- |
| Total Fund Equity | (7) | 7,755 | 23,821 |
| | ----- | ----- | ----- |
| TOTAL LIABILITIES AND FUND EQUITY | \$ | \$ 7,755 | \$ 23,821 |
| | ===== | ===== | ===== |

The accompanying notes are an integral part of this statement.

| <u>Account Groups</u> | | |
|-------------------------------------|--|--|
| <u>General Fixed Assets</u> | <u>General Long- Term Debt</u> | <u>Total (Memorandum Only)</u> |
| \$ | \$ | \$ 26,766 4,810 |
| 68,283 | | 68,283 |
| <u>\$ 68,283</u> ===== | <u>\$</u> ===== | <u>\$ 99,859</u> ===== |
| \$ | \$ | \$ |
| | | 7 |
| | | 7 |
| 68,283 | | 68,283 |
| <u>68,283</u> | | <u>31,569</u> |
| | | <u>99,852</u> |
| <u>\$ 68,283</u> ===== | <u>\$</u> ===== | <u>\$ 99,859</u> ===== |

SOCIALIZATION SERVICES , INC.
SHREVEPORT, LOUISIANA

COMBINED STATEMENT OF ACTIVITY
For the Fiscal Year Ended June 30, 1999

| | Elderly Affairs Grant Fund | Alcohol and Drug Abuse Grant Fund |
|--|-------------------------------|---|
| REVENUES: | | |
| Intergovernmental | \$ 190,000 | \$ 81,750 |
| Interest Income | 867 | |
| Donations | | |
| Other | 2,500 | |
| Total Revenues | 193,367 | 81,750 |
| EXPENDITURES: | | |
| Personnel | 91,955 | 60,060 |
| Travel | 335 | |
| Oper. Svcs | 97,397 | 19,576 |
| Oper. Supplies | 1,179 | 1,529 |
| Prof. Svcs | | 2,000 |
| Capital Outlays | | |
| Other Costs | 2,500 | |
| Total Expenditures | 193,366 | 83,165 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 1 | (1,415) |
| FUND BALANCE, BEGINNING | (1,591) | 9,120 |
| INTERFUND TRANSFER | 1,583 | 50 |
| FUND BALANCE, ENDING | \$ (7) | \$ 7,755 |

The accompanying notes are an integral part of this statement.

| General Fund | Total (Memo Only) |
|------------------|----------------------|
| \$ 51,656 | \$ 323,406 |
| 124 | 991 |
| 247 | 2,747 |
| <u>52,027</u> | <u>327,144</u> |
| 43,230 | 195,245 |
| 3,201 | 335 |
| 523 | 120,174 |
| 1,500 | 3,231 |
| 946 | 3,500 |
| 2,500 | 946 |
| <u>49,400</u> | <u>325,931</u> |
| 2,627 | 1,213 |
| 22,827 | 30,356 |
| (1,633) | |
| <u>\$ 23,821</u> | <u>\$ 31,569</u> |
| ===== | ===== |

SOCIALIZATION SERVICES , INC.
SHREVEPORT, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE BUDGET (GAAP BASIS) AND ACTUAL - ELDERLY AFFAIRS FUND TYPE
For the Fiscal Year Ended June 30, 1999

| | Budget | Actual | Variance Favorable (Unfavorable) |
|--|----------------|-----------------|--|
| REVENUES: | | | |
| Intergovernmental | \$190,000 | \$190,000 | \$ |
| Interest Income | | 867 | 867 |
| Other | | 2,500 | 2,500 |
| Total Revenues | <u>190,000</u> | <u>193,367</u> | <u>3,367</u> |
| EXPENDITURES: | | | |
| Personnel | 92,365 | 91,955 | 410 |
| Operating Services | 94,033 | 97,397 | (3,364) |
| Travel | | 335 | (335) |
| Supplies | 1,102 | 1,179 | (77) |
| Other Expenses | 2,500 | 2,500 | |
| Total Expenditures | <u>190,000</u> | <u>193,366</u> | <u>(3,366)</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | | 1 | 1 |
| FUND BALANCE, BEGINNING | | (1,591) | (1,591) |
| INTERFUND TRANSFER | | 1,583 | 1,583 |
| FUND BALANCE, ENDING | \$ ===== | \$ (7) ===== | \$ (7) ===== |

The accompanying notes are an integral part of this statement.

SOCIALIZATION SERVICES , INC.
SHREVEPORT, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE BUDGET (GAAP BASIS) AND ACTUAL - SOUTH SHREVEPORT COMMUNITY
CENTER FOR DRUG AND ALCOHOL ABUSE

For the Fiscal Year Ended June 30, 1999

| | Budget | Actual | Variance Favorable (Unfavorable) |
|--|-----------|-----------|--|
| REVENUES: | | | |
| Intergovernmental | \$ 78,750 | \$ 81,750 | \$ 3,000 |
| Interest Income | | | |
| Other | | | |
| Total Revenues | 78,750 | 81,750 | 3,000 |
| EXPENDITURES: | | | |
| Personnel | 61,347 | 60,060 | 1,287 |
| Travel | | | |
| Operating Services | 14,630 | 19,576 | (4,946) |
| Supplies | 773 | 1,529 | (756) |
| Other Expenses | 2,000 | 2,000 | - |
| Capital Outlay | | | - |
| Total Expenditures | 78,750 | 83,165 | (4,415) |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | - | (1,415) | (1,415) |
| INTERFUND TRANSFER | | 50 | 50 |
| FUND BALANCE, BEGINNING | - | 9,120 | 9,120 |
| FUND BALANCE, ENDING | \$ | \$ 7,755 | \$ 7,755 |

The accompanying notes are an integral part of this statement.

SOCIALIZATION SERVICES, INC.
SHREVEPORT, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Presentation of Statements:

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. In November of 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments.

The accompanying financial statements conform to generally accepted accounting principles for local government entities as prescribed by Statement 1, Governmental Accounting and Financial Reporting Principles published by the National Council on Governmental Accounting; Audits of State or Local Governmental Units, the industry audit guide issued by the American Institute of Certified Public Accountants; Section 800 - Fiscal Requirements, Appendix A, accounting manual for the Governor's Office of Elderly Affairs; and, the revised Louisiana Municipal Audit and Accounting Guide.

b. Organization

Socialization Services, Inc. was incorporated on July 11, 1984 as Humana Socialization, Inc., in Shreveport, Louisiana for civic and charitable purposes. Effective December 1, 1986, the Board of Directors adopted the name of Socialization Services, Inc. The Board of Directors is composed of nine members. The board officers for the year ended June 30, 1999 were Mr. Charles Raye, Chairman, Mrs Sallie Pennywell, Treasurer, and Mrs Rosie Cothan, Secretary. Board members are not compensated.

SOCIALIZATION SERVICES, INC.
SHREVEPORT, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
(Continued)

JUNE 30, 1999

c. Fund Accounting:

Socialization Services, Inc. use funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental financed functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The funds are grouped in the financial statements of this report, into one generic fund type as follows:

(1) Elderly Affairs Grant Fund

The Elderly Affairs Grant Fund is used to account for proceeds of the grant received from the Louisiana Office of Urban Affairs.

(2) Drug and Alcohol Abuse Grant Fund

The Drug and Alcohol Abuse Grant Fund is used to account for proceeds of the grant received from the State of Louisiana Office of Urban Affairs.

SOCIALIZATION SERVICES, INC.
SHREVEPORT, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
(Continued)

JUNE 30, 1999

c. Fund Accounting (Con't):

(3) General Fund

The General Fund is used to account for funds and activities not directly related to program funds. Funding is provided from the State of Louisiana for processing medicaid applicants and from the City of Shreveport for processing clients for water bill reimbursement.

d. Basis of Accounting:

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All funds utilized by Socialization Services, Inc. are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all funds appearing in this financial report. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Socialization Services, Inc. considers revenue as available if it is collected within 60 days after year end. Those revenues susceptible to accrual are intergovernmental and contributions from private sources. Expenditures are recorded when the related fund liability is incurred.

SOCIALIZATION SERVICES, INC.
SHREVEPORT, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
(Continued)

JUNE 30, 1999

e. Budgets and Budgetary Accounting:

Socialization Services, Inc. generally follows these procedures in establishing the budgetary data reflected in these financial statements:

1. Management, with technical assistance provided by the State of Louisiana Office of Urban Affairs, prepares a proposed budget and submits the same to the Board of Directors for approval prior to the beginning of each fiscal year.
2. Budgetary amendments involving the transfer of funds from one program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Directors.
3. All budgetary appropriations lapse at the end of each fiscal year.
4. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted, or as amended from time to time by the Board of Directors or the Louisiana Office of Urban Affairs.

SOCIALIZATION SERVICES, INC.
SHREVEPORT, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
(Continued)

JUNE 30, 1999

e. Budgets and Budgetary Accounting (Con't):

5. Formal budgetary integration is employed as a management control device during the year for all funds.
6. Expenditures can legally exceed appropriations, but not more than 5%.

f. Expenditures - Actual and Budget

The following individual fund had actual expenditures over budgeted expenditures for the year ended June 30, 1999:

ALCOHOL AND DRUG ABUSE

g. Fixed Assets

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in grant funds, and the related assets are reported in the general fixed assets accounts group. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received.

The costs on normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

SOCIALIZATION SERVICES, INC.
SHREVEPORT, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
(Continued)

JUNE 30, 1999

h. Cash

All cash funds are covered by FDIC insurance at a federally insured financial institution.

i. Accrued Vacation Liability

The current policy of Socialization Services, Inc. does not provide for the accumulation of earned leave by employees; therefore, these financial statements do not contain a provision for accrued vacation liability.

j. Total Columns on Combined Statements - Overview

Total columns on the Combined Statements - Overview are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

(2) FUNDING

Socialization Services, Inc. was funded by the Louisiana Office of Urban Affairs, receiving \$190,000 for the fiscal year ended June 30, 1999 and \$81,750 for Alcohol and Drug Abuse for the fiscal year ended June 30, 1999. Additional funding was received from the State of Louisiana for Medicaid in the amount of \$17,192 and from the City of Shreveport, receiving \$34,464 for Water and Housing.

SOCIALIZATION SERVICES, INC.
SHREVEPORT, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
(Continued)

JUNE 30, 1999

(3) GRANTS RECEIVABLE

| | |
|--------------------|----------------------|
| State of Louisiana | \$ 2,604.00 |
| City of Shreveport | 2,206.00 |
| Total | \$ 4,810.00 ===== |

(4) INCOME TAX STATUS

Socialization Services, Inc., a non-profit corporation, is exempt from federal income taxation under Section 501 (c) (3) of the Internal Revenue Code.

(5) CHANGES IN LONG-TERM DEBT

Socialization Services had no long term debt during fiscal year ended June 30, 1999.

(6) JUDGEMENTS, CLAIMS, AND SIMILAR CONTINGENCIES

There is no litigation pending against Socialization Services at June 30, 1999. Furthermore, Socialization Services' management believes that any potential lawsuits would be adequately covered by insurance.

Socialization Services receives revenues from various State grant programs which are subject to final review and approval as to allowability of expenditures by the respective grantor agencies. Any settlements or expenses arising out of a final review are recognized in the period in which agreed upon by the agency and Socialization Services. Also, it is management's opinion that any audits by the grantor agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect Socialization Services' financial position.

JERRY L. WHITE
Certified Public Accountant

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(908) 541-0797

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
LAWS AND REGULATIONS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS ISSUED BY THE GAO

Board of Directors
Socialization Services, Inc.
Shreveport, Louisiana

I have audited the general purpose financial statements of the Socialization Services, Inc., Shreveport, Louisiana as of and for the year ended June 30, 1999, and have issued my report thereon dated September 30, 1999.

I conducted my audit in accordance with generally accepted auditing standards, Governmental Auditing Standards, issued by the Comptroller General of the United States, and the provisions of the Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants, applicable to Socialization Services, Inc., Shreveport, Louisiana is the responsibility of Socialization Services' management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of Socialization Services' compliance with certain provisions of laws, regulations, contracts, and grants. However, it should be noted that my objective was not to provide an opinion on overall compliance with such provisions.

The results of my tests indicate that, with respect to the items tested, Socialization Services, Inc. complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to my attention that caused me to believe that Socialization Services Inc. had not complied, in all material respects, with those provisions.

This report is intended for the information of the audit committee, management, the State of Louisiana Office of Urban Affairs. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



JERRY L. WHITE
CERTIFIED PUBLIC ACCOUNTANT

September 30, 1999

JERRY L. WHITE
Certified Public Accountant

19 Colmart Way
Bridgewater, NJ 08807
(908) 541-0797

**INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL
CONTROL STRUCTURE IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

I have audited the general purpose financial statements of Socialization Services Inc., as and for the year ended June 30, 1999, and have issued my report thereon dated September 30, 1999.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

In planning and performing my audit of the general purpose financial statements of Socialization Services Inc., for the year ended June 30, 1999, I considered its internal control structure in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide assurance on the internal control structure.

The management of Socialization Services, 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, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with general 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.

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

- o Cash Receipts
- o Cash Disbursements
- o Purchasing and Receiving
- o Payroll
- o Property and Equipment

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.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the specific 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. I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

This report is intended for the information of the audit committee, management, the State of Louisiana Office of Urban Affairs and Development. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



JERRY L. WHITE
CERTIFIED PUBLIC ACCOUNTANT

September 30, 1999

JERRY L. WHITE
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MANAGEMENT LETTER COMMENTS

Board of Directors
Socialization Services, Inc.
Shreveport, Louisiana

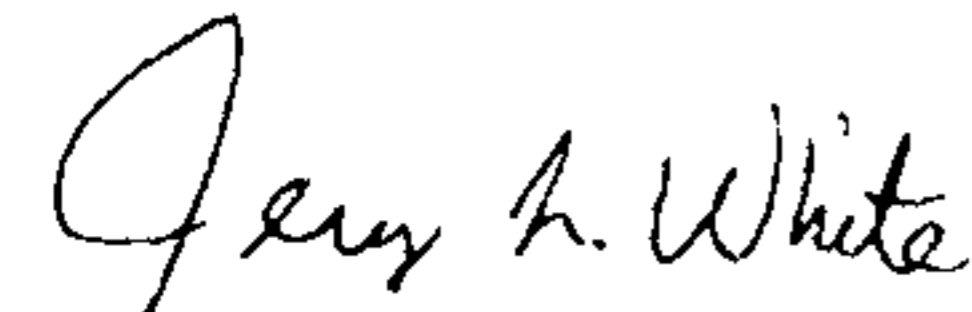
1. ENSURE ALL PARTICIPANTS IN THE ELDERLY PROGRAM ARE SIGNING THE PARTICIPANT ROSTER EACH DAY AS EVIDENCE OF THEIR PARTICIPATION.

The program has three sites where elderly participants visit from 9am to 1pm on Mondays thru Fridays. The participants have their blood pressure monitored, perform aerobic activities under the guidance of a licensed health official, receive full meals. The participants are required to sign-in each day as evidence of their participation. These sign-in rosters are reviewed periodically by the program director to ensure compliance. The Auditor reviewed sign-in rosters from four months during the audit period and noted that one site had submitted copies of its sign-in roster which appeared to be a xeroxed copy of the same roster for several different days. It did not appear that original signatures of participants had been obtained on those days.

I recommend that original signatures of participants are obtained each day and all sign-in rosters are reviewed by the program director to ensure compliance.

Management Response:

See Management Corrective Action Plan, following.



JERRY L. WHITE
CERTIFIED PUBLIC ACCOUNTANT

September 30, 1999

JERRY L. WHITE
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MANAGEMENT'S CORRECTIVE ACTION PLAN REPORT

Audit Comment (Finding) #1:

Ensure participants in the Elderly Program are signing the participant roster each day as evidence of their participation.

Management Corrective Action Plan:

Effective immediately a monitoring policy is implemented where-by the program director reviews all sign-in rosters for assurance that original signatures are obtained from participants each day. Additionally, the program director conducted individual meetings with each site monitor to confirm implementation of the monitoring policy. The program director will also perform periodic spot checks of each site to ensure compliance and document the results of these spot checks.



JERRY L. WHITE
CERTIFIED PUBLIC ACCOUNTANT

September 30, 1999

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SUMMARY OF PRIOR YEAR FINDINGS

In 1998 there were no Management Letter Comments issued.

Jerry L. White

JERRY L. WHITE
CERTIFIED PUBLIC ACCOUNTANT

September 30, 1999