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ALBERT J. DERBES, III, C.P.A.
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* 2008 FIDELITY
MEMBERING CORPORATION

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE
BASED ON AN ASSESS OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Louisiana State Board of Nursing
Department of Health and Hospitals
Metairie, Louisiana

We have audited the financial statements of the Louisiana State Board of Nursing (the Board), a component unit of the State of Louisiana, as of June 30, 1996 and for the years ended June 30, 1996 and 1995, and have issued our report thereon dated September 25, 1996.

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

The management of the Louisiana State Board of Nursing 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 financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In conjunction with the audit of the financial statements of the Louisiana State Board of Nursing as of and for the year ended June 30, 1984, performed by the Legislative Auditor of the State of Louisiana dated June 14, 1985, certain instances of violations of laws and regulations not material to the financial statements were noted in the report on compliance with laws and regulations. Management of the Board has addressed and corrected those matters subsequent to the issuance of the June 30, 1984 financial statements.

This report is intended for the information of management, the Department of Health and Hospitals, the Legislative Auditor of the State of Louisiana, and the Office of Statewide Reporting and Accounting Policy. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Robert Flanagan

September 29, 1985
Metairie, Louisiana

DERBES & COMPANY

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

Louisiana State Board of Nursing
Department of Health and Hospital
Retailer, Louisiana

We have audited the financial statements of the Louisiana State Board of Nursing (the Board), a component unit of the State of Louisiana, as of June 30, 1996 and for the years ended June 30, 1994 and 1995, and have issued our report thereon, dated September 25, 1996.

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

Compliance with laws, regulations and contracts applicable to the Louisiana State Board of Nursing is the responsibility of the Board. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Board's compliance with certain laws, regulations and contracts. However, the objective of our audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

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

LOUISIANA STATE BOARD OF STRIKE
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

ROSTER OF COMPENSATION OF BOARD MEMBERS
FOR THE YEARS ENDED JUNE 30, 1994 AND 1995

	Meetings Attended		Compensated	
	June 30, 1994	June 30, 1995	June 30, 1994	June 30, 1995
Judith Cook, M.M., R.N.	14	28	\$ 1,187	\$2,374
Deborah Ford, M.S.E., R.N., C.M.A.	24	26	2,107	2,279
Sherry Haley, M.S.E., R.N.	23	28	2,843	3,288
Elizabeth Humphrey, Ed.D., M.S.W., R.N.	13	15	1,009	1,282
Marlene Johnson, M.S.E., R.N.	13	32	2,331	4,736
Debbie Subrinski, Ed.D., R.N.	31	40.5	3,483	3,483
Beulah Theobald, R.S.M., R.N.	28	24	2,323	2,052
Bobby Koon, M.S.E., R.N.	13	-0-	2,129	-0-
Dolly Greener, M.S.E., R.N.	17	-0-	1,875	-0-
Reganline Harter, R.N., R.M.	11	-0-	823	-0-
Debra Hamilton, R.S.N., R.N.	15	10	3,082	-0-
	214	193.5	\$17,009	\$19,864

The schedule of per diem paid board members is presented in compliance with House Concurrent Resolutions 30 & 31 of the 1995 Session of the Legislative Legislature. Board members were paid \$95.00 for each board meeting they attended through December 31, 1995, as adopted by the board on January 31, 1999. Effective January 1, 1996, board members were paid \$75.00 for each board meeting attended in accordance with HR-R.S. 31:864.

DERBES & COMPANY

REGISTERED PUBLIC ACCOUNTANTS, L.L.C.

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ALBERT J. DERBES, II, C.P.A.
WALTER J. HODSON, C.P.A.
A FIRM OF
MEMBERS WITH A DISTINCTION

ACCOUNTANTS' REPORT ON SUPPLEMENTARY DATA

We have reported separately herein on the basic financial statements of the Louisiana State Board of Nursing. The supplementary information included in the Schedule of Compensation of Board Members has been subjected to the same auditing procedures and, in our opinion, is stated fairly in all material respects when considered in conjunction with the basic financial statements taken as a whole.

Derbes & Company

September 25, 2008
Bossierie, Louisiana

LOUISIANA STATE BOARD OF NURSING
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

12 - COMMITMENTS AND CONTINGENCIES

As referred to in note 1, the Board is composed of nine members who are appointed by and serve at the pleasure of the Governor. Due to the enactment of Act 51 of the 1995 legislative session, the nine members were appointed or reappointed to the Board in August, 1995. The Louisiana Constitution sets forth any [re]appointments must be confirmed by the Senate prior to the closing of the regular legislative session. One member was confirmed, LSA-R.S. 24:14 G. reads, "The appointment of any appointee who is not confirmed by the Senate or who is not submitted to the Senate for confirmation during the regular session shall expire at the end of the regular session and a vacancy shall be immediately created for that position. The appointee shall not be appointed to the same office during any recess of the legislature". Therefore, eight (8) vacancies occurred effective June 30, 1996.

13 - DEFERRED COMPENSATION PLAN

Certain employees of the Board participate in the Louisiana Deferred Compensation Plan adopted under the provisions of Internal Revenue Code Section 457. Complete disclosures relating to this statewide plan are available in the financial statements of the State of Louisiana.

LOUISIANA STATE BOARD OF MISSING
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

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NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

10 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions during the two years ended June 30, 1996:

Accumulated annual leave at June 30, 1994	\$54,477
Additions	7,255
Reductions	-(3,728)
Accumulated annual leave at June 30, 1995	58,004
Additions	14,812
Reductions	122,680
Accumulated annual leave at June 30, 1996	\$48,866

Many of the Board's employees have accumulated annual leave in excess of the 360 hour maximum referred to in Note 4. Therefore, increases in accumulated annual leave arise primarily from annual increases in hourly wage rates applied to the hours accumulated.

11 - LITIGATION AND CLAIMS

At June 30, 1996, the Board was not involved in any litigation and was not aware of any claims which would not be covered by insurance as provided by coverage held-obtained by the Louisiana Department of Risk Management. During the years ended June 30, 1994 and 1995, legal fees of \$28,671 and \$67,628, respectively, were incurred and recorded as a current year expenditure in the general fund.

LOUISIANA STATE BOARD OF NURSING
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

* - PENSION, HEALTH CARE AND LIFE INSURANCE BENEFITS

The Board provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the Board employees become eligible for these benefits if they reach normal retirement age while working for the Board. These benefits for retirees and annuity benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and by the Board. The Board's cost of providing retirees health care and life insurance benefits are recognized as expenditures when the monthly premiums are paid. For the years ended June 30, 1998 and 1997 the costs of retiree benefits totaled \$11,184 and \$10,887, respectively.

* - LEASE

The Board occupies leased premises at 3530 N. Causeway Blvd., Suite 501, Metairie, Louisiana on a seven-year operating lease which expires June 30, 2003. The lease requires monthly rental payments of \$8,000. All taxes, utilities and building maintenance are paid by the lessee. Rent expense for the years ended June 30, 1998 and 1997 was \$97,188 and \$8,188, respectively.

Future annual minimum lease payments for the next five years and in the aggregate are as follows:

June 30,	
1997	\$ 8,000
1998	8,000
1999	8,000
2000	8,000
2001	8,000
Thereafter	187,488
	\$257,488

LOUISIANA STATE BOARD OF NURSING
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

4 - VACATION AND SICK LEAVE

At June 30, 1994, employees of the Board had accumulated and vested \$46,848 of employee leave benefits, which was computed in accordance with GASB Codification Section 630. Of this amount, \$-0- is recorded as an obligation of the General Fund and \$46,848 is recorded within the general Long-Term Obligation Account Group because the Board does not expect to pay it out of current resources. No liability has been recorded for accumulated vacation time in excess of 300 hours or for accumulated sick leave which, upon retirement, are used to compute retirement benefits.

5 - TOTAL COLUMN ON BALANCE SHEET

The total column on the balance sheet is captioned "Memorandum Only" to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles, neither is such data comparable to a consolidation.

Since the Louisiana State Board of Nursing consists of only one fund, no memorandum totals are presented on the Statement of Resources, Expenditures and Changes in Fund Balance or the Statement of Resources, Expenditures and Fund Balance - Budget (GAAP Basis) and Actual.

6 - CHANGES IN GENERAL FUND ASSETS

The changes in general fund assets follows:

Balance, June 30, 1994	\$248,687
Additions	22,487
Dispositions[00]
Balance, June 30, 1995	271,174
Additions	126,000
Dispositions	..(22,298)
Balance, June 30, 1996	\$374,876

In accordance with L&A R.S. 39:323-332, the Board has complied with the Louisiana movable property statutes.

In planning and performing our audit of the financial statements of the Louisiana State Board of Nursing for the years ended June 30, 1988 and 1989, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts 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. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

This report is intended for the information of management, the Department of Health and Hospitals, the Legislative Auditor of the State of Louisiana, and the Office of Statewide Reporting and Accounting Policy. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Deber & Company

September 25, 1988
 Metairie, Louisiana

LOUISIANA STATE BOARD OF BUNING
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

2 - BUDGET VARIANCES (Continued)

Upon at year end, the Board retains its unexpended fund balance to fund expenditures of the succeeding year. Formal budget integration is employed as a management control device during the year. Prior to July 1, 1996, the budget was prepared and reported based on cash estimates.

Substantial budget variances for the years ended June 30, 1996 and 1995 are explained as follows:

Title	Variance- Favorable (Unfavorable)	Comments
June 30, 1996:		
Personnel services and benefits	\$184,327	Certain staff positions budgeted to be filled during the fiscal year ended June 30, 1996 were unfilled for the entire year.

3 - CASH AND CASH EQUIVALENTS

For reporting purposes, cash and cash equivalents include cash, demand deposits, time deposits, and certificates of deposit. Under state law the Board may deposit funds within a financial agent bank selected and designated by the Interior Geology Board. Further, the Board may invest in time certificates of deposit at state banks organized under the laws of the State of Louisiana, national banks having their principal office in the State of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

At June 30, 1996, the carrying amount of the Board's deposits was \$1,324,408 and the bank balance was \$1,324,196. Of the bank balance, \$100,000 was covered by federal depositary insurance and \$1,224,196 was covered by collateral held by the Nashville branch of the Federal Reserve Bank in the Board's name.

LOUISIANA STATE BOARD OF NURSING
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

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NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

7 - EMPLOYEE PENSION PLAN

Substantially all employees of the Board are members of the Louisiana State Employees Retirement System (System), a cost-sharing multiple-employer defined benefit public employee retirement system (PERS). The system is a statewide public retirement system for the benefit of state employees, which is administered and controlled by a separate board of trustees. Contributions of participating state agencies are pooled within the System to fund accrued benefits, with contribution rates approved by the Louisiana Legislature. In addition to the employee contribution withheld at 7.5% of covered payroll, the Board contributed an additional 12.8% and 12.8% of covered payroll for the years ended June 30, 1994 and 1995, respectively. Contributions to the System were funded through employee and employer contributions of \$23,000 and \$62,300, respectively, for the year ended June 30, 1990. Contributions to the System were funded through employee and employer contributions of \$25,725 and \$28,225, respectively, for the year ended June 30, 1995. The Board contributed \$20,300, \$26,883 and \$49,300 to the System for the years ended June 30, 1990, 1994 and 1994, respectively, which represented 100% of the required contribution for each year. The total payroll of the agency was \$288,678 and its payroll covered by the System was \$286,586 for the year ended June 30, 1990. The total payroll of the agency was \$561,784 and its payroll covered by the System was \$476,339 for the year ended June 30, 1995. Under present statutes, the Board does not guarantee any of the benefits granted by the System.

All full-time Board employees are eligible to participate in the System. Benefits vest with 10 years of service. At retirement age, employees are entitled to annual benefits equal to \$200 plus 2.5 per cent of their highest consecutive 36 months' average salary multiplied by their years of credited service. Vested employees may retire at (a) any age with 10 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. The System also provides death and disability benefits. Benefits are established by state statute.

Historical trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the System's 1995 comprehensive annual financial report which is separately issued. Benefits granted by the System are guaranteed by the State of Louisiana under the Louisiana Constitution of 1974.

LOUISIANA STATE BOARD OF HEALTH
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. General Fixed Assets and General Long-Term Obligations
(Continued)

The two account groups are not "funds". They are concerned only with the measurement of financial position, not with measurement of results of operations.

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied. The Board's records are maintained on the modified accrual basis of accounting using the following practices:

Revenues

Licenses fees, as well as other revenues, are reported when received. Licenses must be renewed annually by December 31 and are considered delinquent after that date. Interest income on short-term investments is recognized as it is earned.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for accumulated vacation leave, which is recognized when paid.

2 - BUDGET PRACTICES

Annually the Board adopts a budget that is submitted to the Department of Health and Hospitals, as prescribed by LSA-R.S. 26:283. The budget for the fiscal year ended June 30, 1993 was adopted on November 18, 1992 and amended twice on November 4, 1994 and February 10, 1993. The budget for the fiscal year ended June 30, 1994 was adopted on November 4, 1994 and amended on January 31, 1996. The Board utilizes a budget prepared on a fiscal year basis using the same accounting procedures and practices that are used in preparing the annual financial statements. Although budget accounts

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LOUISIANA STATE BOARD OF NURSING
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Annually, the State of Louisiana issues general purpose financial statements which include the activity contained in the accompanying financial statements. The general purpose financial statements are issued by the Louisiana Division of Administration - Office of Statewide Reporting and Accounting Policy and audited by the Louisiana Legislative Auditor.

A. Fund Accounting

The accounts of the Louisiana State Board of Nursing are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds presented in the financial statements are described as follows:

General Fund

The General Fund is the principal fund and is used to account for the general operations of the Board. The various license fees and charges due the Board are accounted for in this fund. General operating expenditures are paid from this fund.

B. General Fixed Assets and General Long-Term Obligations

Fixed assets used in the governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Depreciation has not been provided on general fixed assets. All fixed assets are valued at historical cost.

Long-term obligations expected to be financed from governmental funds are accounted for in the General Long-Term Obligation Account Group, not in the governmental funds. The only long-term obligation of the Commission is for accrued annual leave.

LOUISIANA STATE BOARD OF NURSING
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

NOTES TO FINANCIAL STATEMENTS

3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Louisiana State Board of Nursing (the Board) is a component unit of the State of Louisiana created within the Louisiana Department of Health and Hospitals as provided by Louisiana Revised Statute (LSA-R.S.) 33:911. The Board is currently composed of nine registered nurses and two physician's (who serve as ex officio members of the Board who serve only as advisors and have no voting privileges) who are appointed by and serve at the pleasure of the Governor for terms of four years. The Board is charged with the responsibility of licensing and regulating registered nurses in the State. Operations of the Board are funded through self-generated revenues. At June 30, 1996 approximately 30,400 registered nurses were licensed. Act 633 of the 1995 legislative session amended the nurse practice act to require licensure of Advanced Practice Registered Nurses (APRNs). License fees to offset the cost of APRN licensure for registered nurses who are also APRNs were instituted in the 1995-1996 fiscal year.

In April 1984, the Financial Accounting Standards Board (FASB) 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 June 1987, the GASB issued a revised codification of governmental accounting and financial reporting standards. The codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local government.

The Louisiana State Board of Nursing prepares its financial statements in accordance with the standards established by the GASB. GASB modification Section 2100 establishes criteria for determining the governmental reporting entity and has defined the governmental reporting entity to be the State of Louisiana. The Board is considered a component unit of the State of Louisiana because the state exercises oversight responsibility in that the Governor appoints the Board members, and public service is rendered within the state's boundaries. The accompanying statements present only transactions of the Louisiana State Board of Nursing, a component unit of the State of Louisiana.

LOUISIANA STATE BOARD OF HEALTH
 DEPARTMENT OF HEALTH AND HOSPITALS
 STATE OF LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 GOVERNMENTAL FUND TYPE

FOR THE YEAR ENDED June 30, 1993

	GOVERNMENTAL FUNDS		Balance- Forward (Professional)
	Budget	Actual	
REVENUES:			
Licenses, permits and fees	\$4,139,738	\$4,139,488	\$ 16,732
Interest earned	40,888	98,436	26,499
Other revenues	312	3,221	1,901
Total Revenues	<u>4,180,938</u>	<u>4,228,129</u>	<u>45,132</u>
EXPENDITURES:			
Personal services and benefits	714,614	689,289	47,327
Professional services	201,212	129,862	60,399
Operating services	261,853	284,883	79,227
Materials and supplies	33,888	21,814	13,998
Travel and other charges	187,889	129,899	37,904
Capital outlay	63,882	12,647	47,233
Total Expenditures	<u>1,463,414</u>	<u>1,216,489</u>	<u>206,924</u>
Excess of Revenues over Expenditures	<u>1,681,344</u>	<u>1,985,689</u>	<u>206,924</u>
Fund Balance - July 1, 1992	<u>1,425,852</u>	<u>1,425,852</u>	<u>0</u>
Fund Balance - June 30, 1993	<u>\$ 2,928,232</u>	<u>\$ 2,928,232</u>	<u>\$ 206,924</u>

The accompanying notes are an integral part of this statement.

LOUISIANA STATE BOARD OF SURGEONS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

STATEMENT OF REVENUES, DISBURSURES AND CHANGES IN FUND BALANCE
BUDGET FUND BASIS AND ACTUAL
OPERATIONAL FISCAL YEAR

FOR THE YEAR ENDED JUNE 30, 1996

	General Fund		Balance Forward (Unavailable)
	Budget	Actual	
<u>REVENUES:</u>			
Licenses, permits and fees	\$1,252,100	\$1,288,103	\$ 37,803
Interest earned	85,000	64,728	19,272
Other revenues	300	3,542	1,242
Total Revenues	1,337,400	1,356,373	58,317
<u>EXPENDITURES:</u>			
Medical services and benefits	888,423	703,096	185,327
Professional services	188,000	148,381	39,619
Operating services	372,200	282,309	89,891
Materials and supplies	58,000	38,876	19,124
Travel and other charges	142,000	94,489	47,511
Capital outlay	181,000	125,022	55,978
Total Expenditures	1,329,623	1,392,173	62,550
Excess (Deficiency) of Revenues over Expenditures	(891,223)	(15,799)	875,424
Fund Balance - July 1, 1995	1,225,182	1,225,182	-
Fund Balance - June 30, 1996	\$ 782,807	\$1,209,383	\$ 426,576

The accompanying notes are an integral part of this statement.

LOUISIANA STATE BOARD OF NURSING
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

BLANDED SHEET -

ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 1994

Governmental

Fund Type

General

Fund

Account Groups

General

Long-Term

Debits

Total

Memorandum

001

ASSETS AND OTHER DEBIT

Cash and cash equivalents 81,336,209
Other assets 948
Fixed assets -0-
Amount to be provided for
retirement of general
long-term obligations -0-

Total Assets 81,338,157

LIABILITIES AND FUND EQUITY

Accounts payable and accrued expenses 0-
Accumulated annual leave -0-

Total Liabilities 0-

FUND EQUITY

Investment in general -0-
Fixed Assets 343,863
Fund Balance - unreserved
and undesignated 3,252,255

Total Fund Equity 3,596,118

Total Liabilities
and Fund Equity 3,596,118

81,336,209

948

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The accompanying notes are an integral part of this statement.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Louisiana State Board of Nursing of the State of Louisiana as of June 30, 1988, and the results of its operations for the years ended June 30, 1988 and 1989 in conformity with generally accepted accounting principles.

William H. Gray

September 25, 1988
Metairie, Louisiana

DERBES & COMPANY

MEMBER FIRM OF AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS, I.A.C.A.

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MEMBER FIRM OF AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS, I.A.C.A.

INDEPENDENT AUDITOR'S REPORT

Louisiana State Board of Nursing
Department of Health and Hospitals
Metairie, Louisiana

We have audited the accompanying financial statements of the Louisiana State Board of Nursing (the Board), a component unit of the State of Louisiana, as of June 30, 1996 and for the years ended June 30, 1995 and 1994, as listed in the table of contents. These financial statements are the responsibility of the Louisiana State Board of Nursing. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the Louisiana Governmental Audit Guide. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the financial statements present only the Louisiana State Board of Nursing, and are not intended to present fairly the financial position of the State of Louisiana and the results of its operations and cash flows of its proprietary fund types and nonresponsible trust funds in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated September 26, 1996 on our consideration of the Board's internal control structure and a report dated September 26, 1996 on its compliance with laws and regulations.

LOUISIANA STATE BOARD OF NURSING
 DEPARTMENT OF HEALTH AND HOSPITALS
 STATE OF LOUISIANA
 FINANCIAL STATEMENTS
 YEARS ENDED JUNE 30, 1986 AND 1985

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LOUISIANA STATE BOARD OF NURSING
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 1986 AND 1985
AND
INDEPENDENT AUDITOR'S REPORT

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the auditor, or reviewed, certified and other appropriate 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: OCT 02 1988

LOUISIANA STATE BOARD OF BUSINESS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

3 - CASH AND CASH EQUIVALENTS (Continued)

Certificates of deposit at June 30, 1996 consist of the following:

Depository	Origin	Date of Maturity	Interest Rate	Amount	Accrued Interest
FSEC	03/05/96	09/03/96	4.00%	\$ 250,000	\$ 6,400
FSEC	06/21/96	09/21/96	5.30%	250,000	620
FSEC	04/03/96	07/03/96	5.00%	250,000	2,487
FSEC	05/29/96	08/27/96	5.00%	250,000	1,311
FSEC	04/24/96	07/23/96	4.00%	250,000	1,360
Totals				\$1,250,000	\$11,580

Certificates of deposit are collateralized by securities pledged by FSEC in the Board's name.

As reflected on the balance sheet, the Board had cash and cash equivalents totaling \$1,338,509 on June 30, 1996. Cash and cash equivalents are stated at cost, which approximates market. Under state law these deposits 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 pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the state treasurer. The deposits on June 30, 1996 were secured as follows:

LOUISIANA STATE BOARD OF BANKING
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

3 CASH AND CASH EQUIVALENTS (Continued)

Carrying Amount on Balance Sheet	Cash	Certificates of Deposit	Total
Bank Balances:	\$122,242	\$1,211,263	\$1,333,505
1. Insured (FDIC) or collateralized with securities held by the entity or its agent in the entity's name	\$145,285	\$1,280,000	\$1,425,285
2. Collateralized with securities held by pledging financial institution's trust department or agent in the entity's name	-0-	-0-	-0-
3. Uncollateralized, including any securities held for the entity but not in the entity's name	-0-	-0-	-0-
TOTAL Bank Balances	\$145,285	\$1,280,000	\$1,425,285

4 - VACATION AND SICK LEAVE

The Louisiana State Board of Banking has the following policy related to vacation and sick leave:

Employees earn vacation and sick leave at rates established by the Louisiana Department of Civil Service. The rate varies from twelve days of vacation time and twelve days of sick leave per year for new employees up to twenty four days of each for employees with over fifteen years of service. Employees can carry over unused time indefinitely. Upon termination of employment, the Board is obligated to pay the employee at their current hourly rate for all unused vacation time up to 300 hours.