

**Boarding Authority of the Town of Broward
Broward, Louisiana**

**Annual Financial Report
As of and for the Year Ended March 31, 2004**

Under provisions of state law this report is a public document. A copy of this report has been submitted to the county and other appropriate public officials. The records 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 30-6-04

Bonding Authority of the Town of Broadard

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HOUSING AUTHORITY OF THE TOWN OF BROUSSARD

ENTERPRISE FUNDS
 Combined Balance Sheet
 March 31, 2004

Statement A

ASSETS		
Current Assets		
Cash and cash equivalents	\$	35,248
Investments		11,018
Receivables - PUEC, net of allowance of 10		11,187
Prepaid items and other assets		13,809
Inventory		<u>1,763</u>
Total Current Assets		<u>73,032</u>
TOTAL ASSETS		<u>73,032</u>
LIABILITIES AND FUND EQUITY		
LIABILITIES		
Current Liabilities		
Accounts payable		<u>10,981</u>
Total Current Liabilities		<u>10,981</u>
Total Liabilities		<u>10,981</u>
FUND EQUITY		
Retained earnings:		
Unreserved		<u>62,051</u>
Total Fund Equity		<u>62,051</u>
TOTAL LIABILITIES AND FUND EQUITY	\$	<u>73,032</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THESE STATEMENTS.

HOUSING AUTHORITY OF THE TOWNS OF BROUSSARD

ENTERPRISE FUNDS
 Combined Statement of Revenues, Expenses,
 and Changes in Fund Equity
 For the Year Ended March 31, 2004

Statement 5

OPERATING REVENUES	
Other	\$ <u>488</u>
Total revenues	<u>488</u>
OPERATING EXPENSES	
Administration	264,268
Utilities	1,758
General expenses	16,000
Housing assistance payments	<u>1,862,078</u>
Total operating expenses	<u>2,144,104</u>
Income (loss) from Operations	<u>(2,143,616)</u>
Nonoperating revenue (expense)	
Interest earnings	794
Federal grants	<u>2,162,078</u>
Total nonoperating revenue (expense)	<u>2,162,872</u>
NET INCOME (Loss)	19,256
Increase (decrease) in retained earnings	<u>19,256</u>
RETAINED EARNINGS AT BEGINNING OF YEAR	<u>20,000</u>
RETAINED EARNINGS AT END OF YEAR	<u>\$ 39,256</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THESE STATEMENTS.

HOUSING AUTHORITY OF THE TOWN OF BROWSBARD

Enterprise Funds
 Combined Statement of Cash Flows
 For the Year Ended March 31, 2004

Statement C

	<u>TOTAL</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Operating Income (Loss)	\$ (2,162,276)
Changes in operating current assets and liabilities:	
(Increase) decrease in receivables - HUD	(11,487)
(Increase) decrease in prepaid items and other assets	(7,815)
(Increase) decrease in inventory	(814)
Increase (decrease) in accounts payable	<u>112,622</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (2,178,756)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Proceeds from federal operating grants	<u>2,162,276</u>
NET CASH PROVIDED (USED) FROM NONCAPITAL FINANCING ACTIVITIES	<u>2,162,276</u>
CASH FLOW FROM INVESTING ACTIVITIES	
Increase in investments	(298)
Interest earnings	<u>284</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>86</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(1,910)</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>27,282</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 25,372</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**Reading Authority of the Terms of Borrowed
Funds in the Financial Statements**

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Housing Authority of the Town of Brentwood
Notes to the Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: The accompanying basic financial statements of the Housing Authority of the Town of Brentwood have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The *Governmental Accounting Standards Board (GASB)* is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. REPORTING ENTITY: Housing Authorities are chartered as public corporations under the laws LRA-R.S. 40:261 of the state of Tennessee for the purpose of providing safe and sanitary dwelling accommodations. This statute was contingent upon the local governing body of the city or parish declaring a need for the Housing Authority to function in each city or parish. The Housing Authority of the Town of Brentwood is governed by a five member Board of Commissioners. The members, appointed by the Honorable Mayor of the Town of Brentwood, serve terms of four years.

The Housing Authority participates in a Section 8 housing assistance payment program. The housing choice voucher program provides assistance to low-income persons seeking housing by subsidizing rent between residents and owners of existing private housing. Under this program, the Housing Authority enters into housing assistance payment contracts with landlords. The program provides for a voucher which can be used by the resident to pay rent to any landlord he chooses.

The Housing Authority has the following units:

Section 8 Housing Choice Vouchers	LADMWO	485
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GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the Housing Authority is legally separate and fiscally independent, the Housing Authority is a separate governmental reporting entity. The Housing Authority includes all funds, account groups, activities, or costs, that are within the oversight responsibility of the Housing Authority.

The Housing Authority is a created organization of the Town of Brentwood since the Town of Brentwood appoints a voting majority of the Housing Authority's governing board. The Town of Brentwood is not financially accountable for the Housing Authority as it cannot impose its will on the Housing Authority and there is no potential for the Housing Authority to provide financial benefits to, or impose financial burdens on, the Town of Brentwood. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the Town of Brentwood.

Certain units of local government over which the Housing Authority exercises no oversight responsibility, such as the school board, parish police jury, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying basic financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Housing Authority. In addition, the accompanying basic financial statements do not include various trust associations which are legally separate entities.

B. FUNDS: The accounts of the Housing Authority are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in determining compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

All funds of the Housing Authority are proprietary funds.

Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to assess financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator.

Operating Revenues and Expenses: Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Measuring Authority of the Town of Gretnoad
Notes to the Financial Statements**

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING Proprietary funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The Measuring Authority has elected, pursuant to GASB Statement No. 34, to apply all GASB pronouncements and only FASB pronouncements issued before November 30, 1988.

D. BUDGETS

General Budget Policies: The Measuring Authority adopted budgets for all funds. HUD approves all budgets for all HUD-funded programs. The budget is controlled by fund at the function level. Budgetary amendments require approval of the governing body. All appropriations lapse at year-end.

Formal budget integration (within the accounting records) is not employed as a management control device.

E. 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 Measuring Authority 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.

Under state law, the Measuring Authority may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at the lower of market or cost.

F. INVESTMENTS Investments are limited by R.S. 33:1555 and the Measuring Authority's investment policy. If the original maturities of investments exceed 90 days they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at quoted market prices except for the following which are reported/purchased at per GASB Statement No. 31:

Investments in participating interest-bearing contracts, such as nontransferable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.

The Measuring Authority reported its unquoted cost money market investments participating interest-bearing investment contracts that have a remaining maturity at time of purchase of one year or less.

Definitions:

Interest-bearing investment contract include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and government securities contracts. Money market investments are short-term, highly liquid debt instruments that include U. S. Treasury obligations.

G. FIXED ASSETS Fixed assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). Donated capital assets are recorded at their estimated fair value at time of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. The Measuring Authority uses a threshold of \$1,000 for capital assets. Straight-line depreciation is used based on the estimated useful lives:

Furniture and equipment	5 to 7 years
Comptroller	3 years

Housing Authority of the Town of Brewster
Notes to the Financial Statements

II. COMPENSATED ABSENCES: Employees may accumulate up to 240 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 the termination or retirement date.

1. INVENTORY All inventory items are valued at cost using first-in, first-out method. Inventory is recorded using the purchase method. At year-end the amount of inventory is recorded for external financial reporting.

2. USE OF ESTIMATES The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from these estimates.

NOTE 2 - DEPOSITS Deposits of the primary government are stated at cost which approximates market. Under state law, deposits for the resulting bank balances) assets are 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) assets 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 financially responsible to both parties.

At year-end, the Housing Authority's carrying amount of deposits was \$83,280 and the bank balance was \$81,567. This bank balance was covered by federal depository insurance FDIC-Comptroller D.

NOTE 3 - CONTINGENCIES

Litigation. The Housing Authority is presently involved in one lawsuit the outcome of which the Housing Authority believes would not be material to the financial statements.

Grant Disallowances: The Housing Authority participates in federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursements by the grantor agency for expenditures disallowed under terms of the grants. Housing Authority management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

NOTE 4 - RISK MANAGEMENT The Housing Authority is exposed to various risks of loss related to term: theft of, damage to, and destruction of assets; fires and explosions; and natural disasters for which the Housing Authority carries commercial insurance.

NOTE 5 - ECONOMIC DEPENDENCY Statement of Financial Accounting Standards (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenues. The Department of Housing and Urban Development provided \$1,181,879 to the Housing Authority, which represents approximately 100% of the Housing Authority's total revenue for the year.

Housing Authority of the Town of Brewster

Supplemental Information

GENERAL

COMPENSATION PAID BOARD MEMBERS

The members of the Board of Commissioners serve without compensation. The members of the Board of Commissioners are as follows:

Gertrude Barlow , Chairman

Marie Lavigne

Alan Pike

Raymond Bellier

Lana Davidson



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Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

Board Members

Flowing Authority of the Town of Bossier
Bossier, Louisiana

We have audited the financial statements of the Flowing Authority of the Town of Bossier as of and for the year ended March 31, 2004, and have issued our report thereon dated September 23, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America.

Compliance

As part of obtaining reasonable assurance about whether the Flowing Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Flowing Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Flowing Authority's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying *Schedule of Findings and Questioned Costs* as item 04-01.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements 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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the item noted above is not a material weakness.

Management Letter Item

We also noted matters involving internal control over financial reporting, which we have reported to management of the Flowing Authority in a separate letter dated September 23, 2004.

This report is intended solely for the information and use of the Board, management, federal awarding agencies, and pass-through entities and is not intended to be used should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 34:513, this report is distributed by the Legislative Auditor as a public document.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
September 23, 2004



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Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular No. A-133

Board Members

Housing Authority of the Town of Bossier
Bossier, Louisiana

Compliance

We have audited the compliance of the Housing Authority of the Town of Bossier with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular No. A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended March 31, 2008. The Housing Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Housing Authority's management. Our responsibility is to express an opinion on the Housing Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America; and OMB Circular No. A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular No. A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Housing Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Housing Authority's compliance with those requirements.

In our opinion, the Housing Authority complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended March 31, 2008. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as items 64-F1 and 68-F1.

Internal Control Over Compliance

The management of the Housing Authority is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Housing Authority's internal control over compliance with requirements that conditions a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular No. A-133.

We would remain neutral involving internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the Housing Authority's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. The reportable conditions are described in the accompanying Schedule of Findings and Questioned Costs as items 64-F2 and 68-F2.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material to the federal program being audited may occur and not be detected within timely periods by employees in the normal course of performing their assigned functions. The identification of the internal control over compliance would not necessarily disclose all matters in the interest covered that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that some of the reportable conditions described above is a material weakness.

This report is intended solely for the information and use of the Board, management, federal awarding agencies, and pass-through entities and is not intended to be used or relied upon by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:515, this report is distributed by the Legislative Auditor as a public document.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
September 23, 2008

**Housing Authority of the Town of Riverton
Schedule of Expenditures of Federal Awards
For the Year Ended March 31, 2004**

FEDERAL GRANTOR	<u>CFDA Number</u>	<u>Account</u>	<u>Expenditures</u>
CASH FEDERAL AWARDS			
United States Department of Housing and Urban Development Section 8 Housing Choice Voucher Program	14871	6A1990	<u>\$ 2,804,028</u>
Total United States Department of Housing and Urban Development			<u>\$ 2,804,028</u>

Housing Authority of the Town of Brentwood
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended March 31, 2004

NOTE 1 - GENERAL: The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Housing Authority of the Town of Brentwood, Brentwood, Louisiana. The Housing Authority of the Town of Brentwood (the Housing Authority) reporting entity is defined in Note 1 to the Housing Authority's financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, is included on the schedule.

NOTE 2 - BASIS OF ACCOUNTING: The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to the Housing Authority's financial statements.

NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS: Federal awards revenues are reported in the Housing Authority's financial statements as follows:

Federal Sources	2,182,000
Section 8 Housing Choice Voucher Program	

NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS: Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

**Housing Authority of the Town of Brewster
Schedule of Findings and Questioned Costs
For the Year Ended March 31, 2004**

PART II- Findings) related to the financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:

Reference and Title: (M-F)

Sick and Annual Leave Policy

Criteria or specific requirements: The personnel policies for the Housing Authority include benefits for sick and annual leave.

According to the policy manual "the Housing Authority will provide sick leave benefits to all eligible employees for periods of temporary absence due to illness or injury. Sick leave benefits are accrued at the rate of the amount of hours worked per day, times the days worked per year, times .005. Sick leave benefits are calculated on the basis of a "benefit year" the 12-month period that begins when the employee starts. Unused sick leave benefits will be allowed to accumulate up to a maximum of 140 hours. Unused sick leave benefits are not an earned wage and will not be paid to employees while they are employed or upon termination of employment."

According to the policy manual "The Housing Authority provides paid annual leave benefits to all eligible regular full time employees. Annual leave will accrue at the rate of the amount of hours worked per day times the days worked per year times .005. Annual leave benefits are calculated on the basis of a benefit year, the 12 month period that begins when the employee starts to earn annual leave benefits. Annual leave will be allowed to accumulate up to a maximum of 140 hours. Once the ceiling is reached, the employee cannot accrue any more vacation until they use vacation time already accrued."

Condition found: The Housing Authority does not keep records to accrue sick and annual leave. The balance sheet does not include a liability for annual leave because that amount cannot be calculated.

Possible asserted effect, issues and effort:

Issue: The Housing Authority has not implemented procedures to accumulate the information necessary to calculate accrued annual and sick leave benefits for employees.

Effect: The liability for accrued annual leave benefits could not be calculated.

Recommendation to correct future occurrences: The Housing Authority should establish procedures to accumulate information for each employee of sick and annual leave earned and taken.

**Housing Authority of the Town of Broomfield
Schedule of Findings and Questioned Costs
For the Year Ended March 31, 2004**

**PART III: Findings and questioned costs for federal awards which are required to be reported under
OMB Circular No. A-133 Section 500(a):**

Reference and title: HUD **Resident File Deficiencies**

Federal program and specific federal award identification:

FEDERAL GRANTEE/ ORGANIZATION/PROJECT NAME	CFDA Number	Pass-Through Grant No.	Federal Award Year
Department of Housing and Urban Development/ Section 8 Housing Choice Voucher	14.870	LA/03/00	2003

Critical account file requirements: For each family income examination and recertification, the Housing Authority must obtain and document in the family file third party verification of reported family annual income, the value of assets, expenses related to deductions from annual income, and other factors that affect the determination of adjusted income or income base/less (24CFR section 981.516). The Housing Authority must determine income eligibility and calculate the resident's rent payment using the documentation from third party verification in accordance with 24CFR part 5 subpart F. The Housing Authority is required to submit Form 50054, Family Report, electronically to HUD each time the Housing Authority completes an admission, annual recertification, interim recertification, portability move in, or other change of unit for a family (24CFR part 980 and 24CFR section 981.150). The following key file items contain critical information: Line 2a, 2b, 2c, 2d, 2e, 2f, 2g, 2h, 17a, 17b, 17c, and 17d(1).

Condition found: The following was noted in review of resident files:

- 2 instances of no-income verification in file
- 1 instance of income verification not agreeing to income reported on 50054
- 1 instance noted of no-documented of social security number entered on 50054
- 1 instance noted of dependency deduction undocumented in rent calculation
- 1 instance noted of utility allowances used in rent calculation not agreeing to utility allowance schedule
- 10 instances noted of keypunch errors in entering names, birth dates, social security numbers, telephone dates and maintenance dates.

Errors associated with finding the compliance and consequences: The Housing Authority issues approximately 145 units of Section 8 Housing Choice Voucher and all files were noted.

Findings associated effect (costs and effect):

- Costs:** Resident files are reviewed for proper documentation but in some instances not followed up on to see that deficiencies are corrected. The Housing Authority presently does not have a procedure in place for independent review of Form 50054 for keypunch errors.
- Effect:** Reporting to HUD on Form 50054 was not accurate in some cases.

Recommendation to correct future occurrence: The Housing Authority should document review of resident files for required information by use of a form and follow up on deficiencies noted. Form 50054 should be reviewed for keypunch errors by someone independent of preparation.

**Housing Authority of the Town of Brewster
Schedule of Findings and Questioned Costs
For the Year Ended March 31, 1994**

PART III - Findings and questioned costs for federal awards which are required to be reported under OMB Circular No. A-133 Section 200(c)

Reference # and title: 84-02 Quality Control Reinspections

Federal program and specific federal award identification:

FEDERAL GRANTOR/ GRANTOR/PROGRAM NAME	FY04 Number	Pass-Through Contract No.	Federal Award Year
Department of Housing and Urban Development/ Section 8 Housing Choice Vouchers	14-871	LA/DMSVD	2000

Details of specific inspection: According to the Housing Choice Voucher Handbook (PHS 180)-Chapter 10, Housing Quality Standards, "a PHA, supervisor or other qualified person must re-inspect a sample of units under contract during the last PHA fiscal year. Completed HQS inspections included in the sample must be no older than three months at the time of the re-inspection. The sample must represent a cross section of neighborhoods where program units are located and inspections completed by all HQS inspectors. Quality-control re-inspections should be conducted by staff trained in the PHA's inspection standards and should ensure the same guidance as other PHA inspections or inspection policies and procedures."

"In addition to monitoring SIFMAP compliance, quality control inspections provide feedback on inspectors' work, which can be used to determine if individual performance or general HQS training issues need to be addressed."

Conditions found: The procedures used by Housing Authority employees for quality control re-inspections are to have another inspector perform re-inspections of units which failed the first inspection. These procedures result in re-inspections only of units that failed and provide little feedback to inspectors. Also, an inspection form is not completed on the re-inspection.

Possible asserted effect, cause and effort:

Cause: The Housing Authority has not developed the procedures needed to perform re-inspections on a cross-section of units.

Effect: Re-inspections are not performed of units which passed the first inspection. Little feedback is provided to inspectors as a result of the re-inspection procedures currently in place.

Recommendation in current report suggestion: The Housing Authority should develop procedures to select a sample of units from a cross-section of neighborhoods and inspectors. The sample should be selected from all units and include malfunctioning units that failed the first inspection.

**Housing Authority of the Town of Broward
Summary Schedule of Prior Audit Findings
March 31, 2004**

Findings reference #: 02-01

Real Estate/Assessor Documentation Lacking

Initially occurred: Fiscal year ended March 31, 2003.

Condition: The PSA must prepare a timely real estate/assessor survey for every lot of taxable non-changed units. In addition, all twenty-three files utilized spatial systems test, and utilized comparables. That the files comparable associated units need to be identified better.

Of the twenty-three assessor files we reviewed, five did not have a timely prepared real estate/assessor survey for every lot of taxable non-changed units. In addition, all twenty-three files utilized spatial systems test, and utilized comparables. That the files comparable associated units need to be identified better.

Corrective action taken: The Housing Authority has compiled information on comparable associated units to use in determination of reasonable costs.

Person responsible for corrective action:

Ms. Kathy Projan
Housing Authority of the
Town of Broward
P. O. Box 993
Broward, LA 30618

Telephone: (307) 837-8855
Fax: (307) 837-0742

Findings reference #: 02-02

Independent Verification of Income Lacking

Initially occurred: Fiscal year ended March 31, 2003.

Condition: The PSA must independently verify income reported by the tenant, per 24 CFR part 5 subpart F and 24 CFR 902.5(b).

Of the twenty-three tenant files we reviewed two did not have an independent verification of income at the time of certification.

Corrective action planned: See response to current year finding 04-02.

Person responsible for corrective action:

Ms. Kathy Projan
Housing Authority of the
Town of Broward
P. O. Box 993
Broward, LA 30618

Telephone: (307) 837-8855
Fax: (307) 837-0742

Housing Authority of the Town of Rossmore
Corrective Action Plan for Current-Year Floodings and Questioned Cases
March 23, 2004

Reference # and 800#: 04-71

Unit and Annual Lease Policy:

Condition found: The Housing Authority does not keep records to confirm rent and annual lease. The balance sheet does not include a liability for annual lease income that amount cannot be calculated.

Corrective action planned: The Housing Authority will establish procedures to accumulate information for each employee of rent and annual lease earned and rates. This will pass its form at the next scheduled Board Meeting.

Person responsible for corrective action:

Ms. Kelly Pajean
Housing Authority of the
Town of Rossmore
P. O. Box 550
Rossmore, La. 70214

Telephone: (337) 837-8815
Fax: (337) 837-8792

Anticipated completion date: Immediately.

Reference # and 800#: 04-71

Resident File Deficiencies

Condition found: The following was noted in review of resident files

- 2 instances of no income verification in file
- 1 instance of income verification not agreeing to income reported on 5000
- 1 instance noted of no documentation of social security number entered on 5000
- 1 instance noted of dependency deduction underused in rent calculation
- 1 instance noted of utility allowance used in rent calculation not agreeing to utility allowance schedule
- 14 instances noted of keypunch errors in entering names, birth dates, social security numbers, inspection dates and communication dates.

Corrective action planned: The Housing Authority has already corrected the resident file deficiencies and will continue to have someone else review the 2003R file key punch errors.

Person responsible for corrective action:

Ms. Kelly Pajean
Housing Authority of the
Town of Rossmore
P. O. Box 550
Rossmore, La. 70214

Telephone: (337) 837-8825
Fax: (337) 837-3142

Anticipated completion date: Immediately.

Housing Authority of the Town of Brentwood
Corrective Action Plan for Current Year Findings and Questioned Costs
March 31, 2004

Reference # and date: 04-03

Quality Control Re-inspection

Condition found: The procedures used by Housing Authority employees for quality-control re-inspections are to have another inspector perform re-inspections of units which failed the first inspection. These procedures result in re-inspections only of units that failed and provide little feedback to inspectors. Also, an inspection form is not completed on the re-inspection.

Corrective action planned: The Housing Authority has put into place a cross-section of neighborhoods and inspectors since the Auditor has been done.

Person responsible for corrective action:

Ms. Kelly Poyson
Housing Authority of the
Town of Brentwood
P. O. Box 333
Brentwood, LA 70018

Telephone: (504) 837-8855
Fax: (504) 837-0542

Anticipated completion date: Immediately



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Management Letter

Tina Green, CPA

Single Williamson, CPA

Kevin L. Green, CPA
(Partner)
602 - 550

Board Members

Housing Authority of the Town of Brimwood
Brimwood, Louisiana

In planning and performing our audit of basic financial statements of the Housing Authority of the Town of Brimwood for the year ended March 31, 2004, we considered the Housing Authority's internal control to plan our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control.

However, during our audit, we noted certain matters involving internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated September 23, 2004, on the financial statements of the Housing Authority. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve internal control or result in other operating efficiencies. We will be pleased to discuss those comments in further detail at your convenience, to perform any additional study of those matters, or to assist you in implementing the recommendations. Our comments are summarized as follows:

M-21 Maintenance of RHP Register

Comment: The Housing Authority maintains the RHP register using an excel spreadsheet. The number of units under lease information is accumulated by a manual count of the units on the register. One employee manually counts the number of units on the register and another employee records. Five audits were selected for testing the counts of leased units reported on the lease up schedule. The audit counts differed on some months by one or two units due to the procedure of manually counting over 800 units. The differences were immaterial but the procedure for manually counting the units is time consuming and not always accurate.

Recommendation: A column could be added to the excel spreadsheet the number of units for each landlord. This column could then be totaled on the spreadsheet and would be more accurate and less time consuming than manually counting each unit.

Management's Response: The Housing Authority has the number of units for each landlord per page. It was recorded at the end of each page. We will put the total on each page.

M-22 Housing Authority Policies

Comment: The Housing Authority has a policy and procedure manual that has not been updated in several years.

Recommendation: The policy and procedure manual should be reviewed and updated for changes in the law or to add any additional policies not presently included.

Management's Response: The Housing Authority will update the policy and procedure manual at our next scheduled Board Meeting.

Our audit procedures are designed primarily to enable us to form an opinion on the financial statements and, therefore, may not reveal all weaknesses in policies and procedures that may exist.

This report is intended solely for the information and use of the Board, management, federal awarding agencies, and pass-through entities and is not intended to be used or should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:215, this report is distributed by the Legislative Auditor as a public document.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Metairie, Louisiana

September 23, 2004