

OFFICIAL
FILE COPY
DO NOT SEND OUT
(Xerox necessary
copies from this
copy and PLACE
BACK in FILE)

RECEIVED
LEGISLATIVE COUNCIL
00 MAY 24 AM 8:53

LAFAYETTE METRO NARCOTICS AGENCY

Financial Report

Year Ended December 31, 1999

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity 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 JUN 0 7 2000

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	1-2
GENERAL PURPOSE FINANCIAL STATEMENTS (COMBINED STATEMENTS - OVERVIEW)	
Combined balance sheet - governmental fund type and account group	4
Comparative statement of revenues, expenditures, and changes in fund balance - governmental fund type - General Fund	5
Statement of revenues, expenditures, and changes in fund balance - budget (GAAP basis) and actual - governmental fund type - General Fund	6
Notes to financial statements	7-12
SUPPLEMENTARY INFORMATION	
COMPLIANCE AND INTERNAL CONTROL	
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	15-16
Summary schedule of current and prior year audit findings and corrective action plan	17

KOLDER, CHAMPAGNE, SLAVEN & RAINEY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA
Russell F. Champagne, CPA
Victor R. Slaven, CPA
Chris Rainey, CPA
Conrad D. Chapman, CPA
P. Troy Courville, CPA

P.O. Box 82329
Lafayette, LA 70598

Phone (337) 232-4141
Fax (337) 232-8660

WEB SITE
WWW.KCSRCPAS.COM

MEMBER OF
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

Allen J. LaBry, CPA
Penny Angelle Scruggins, CPA
Mary T. Thibodeaux, CPA
Gerald A. Thibodeaux, Jr., CPA
Kelly M. Doucet, CPA
Kenneth J. Rachal, CPA
Lisa G. Spain, CPA

INDEPENDENT AUDITORS' REPORT

The Board of Directors
Lafayette Metro Narcotics Agency
Lafayette, Louisiana

We have audited the accompanying general purpose financial statements of the Lafayette Metro Narcotics Agency, as of and for the year ended December 31, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the Lafayette Metro Narcotics Agency's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Lafayette Metro Narcotics Agency, as of December 31, 1999, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

The accompanying general purpose financial statements have been prepared assuming that the Lafayette Metro Narcotics Agency will continue as a going concern. As discussed in Note 8 to the general purpose financial statements, the Agency's joint powers agreement is expected to be terminated. This condition raises substantial doubt about its ability to continue as a going concern. The general purpose financial statements do not include any adjustments that might result from the outcome of this uncertainty.

In accordance with Government Auditing Standards, we have also issued a report dated April 12, 2000 on our consideration of the Agency's compliance and on internal control over financial reporting.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying financial information listed as "Supplementary Information" is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the Lafayette Metro Narcotics Agency. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

234 Rue Beauregard
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8660

113 East Bridge Street
Breaux Bridge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

133 East Waddi
Marksville, LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

1234 David Drive, Suite 105
Morgan City, LA 70380
Phone (504) 384-2020
Fax (504) 384-3020

408 W. Cotton Street
Ville Platte, LA 70586
Phone (337) 363-2792
Fax (337) 363-3049

332 W. Sixth Avenue
Oberlin, LA 70655
Phone (337) 639-4737
Fax (337) 639-4568

200 South Main Street
Abbeville, LA 70511
Phone (337) 893-7944
Fax (337) 893-7946

The financial information for the preceding year which is included for comparative purposes was taken from the financial report for that year in which we expressed an unqualified opinion on the general purpose financial statements of the Lafayette Metro Narcotics Agency.

Kolder, Champagne, Slaven & Rainey, LLC
Certified Public Accountants

Lafayette, Louisiana
April 12, 2000

**GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)**

LAFAYETTE METRO NARCOTICS AGENCY
Lafayette, Louisiana

Combined Balance Sheet - Governmental Fund Type and Account Group
December 31, 1999

	<u>Governmental Fund Type General Fund</u>	<u>Account Group General Fixed Assets</u>	<u>Totals (Memorandum Only)</u>	
			<u>1999</u>	<u>1998</u>
ASSETS				
Cash	\$ 23,416	\$ -	\$ 23,416	\$ 29,549
Interest-bearing deposits, at cost	231,372	-	231,372	127,635
Receivables-				
Due from other governmental agencies	19,499	-	19,499	10,390
Other	221	-	221	717
Prepaid Insurance	18,076	-	18,076	21,464
Deposit	1,500	-	1,500	1,500
Vehicles and equipment	-	161,392	161,392	157,654
Total assets	<u>\$294,084</u>	<u>\$161,392</u>	<u>\$455,476</u>	<u>\$348,909</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 4,164	\$ -	\$ 4,164	\$ 2,253
Due to others	3,289	-	3,289	-
Total liabilities	<u>7,453</u>	<u>-</u>	<u>7,453</u>	<u>2,253</u>
Fund equity:				
Investment in general fixed assets	-	161,392	161,392	157,654
Fund balance -				
Reserved	19,576	-	19,576	22,964
Unreserved, undesignated	267,055	-	267,055	166,038
Total fund balance	<u>286,631</u>	<u>-</u>	<u>286,631</u>	<u>189,002</u>
Total fund equity	<u>286,631</u>	<u>161,392</u>	<u>448,023</u>	<u>346,656</u>
Total liabilities and fund equity	<u>\$294,084</u>	<u>\$161,392</u>	<u>\$455,476</u>	<u>\$348,909</u>

The accompanying notes are an integral part of this statement.

LAFAYETTE METRO NARCOTICS AGENCY
Lafayette, Louisiana

Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance -
Governmental Fund Type - General Fund
Years Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Revenues:		
Forfeitures	\$ 128,288	\$ 43,039
Restitution	440	2,396
Intergovernmental revenues -		
City of Lafayette	50,000	50,000
Lafayette Parish Sheriff	80,000	80,000
Interest	10,232	6,503
Miscellaneous	1,590	70
Total revenues	<u>270,550</u>	<u>182,008</u>
Expenditures:		
Current -		
Public safety:		
Building lease	20,400	20,400
Equipment rent	1,737	1,826
Liability insurance	33,515	52,267
Telephone	8,375	8,697
Utilities	5,462	4,744
Maintenance	2,093	453
Office	2,136	1,700
Litigation settlements	3,270	-
Uniforms	1,387	150
Investigations	44,821	61,718
Training	20,052	15,650
Canine	1,871	784
Supplies and small equipment	16,182	11,377
Professional fees	7,512	12,916
Other	370	315
Capital outlay -		
Equipment	3,738	5,436
Total expenditures	<u>172,921</u>	<u>198,433</u>
Excess(Deficiency) of revenues over expenditures	97,629	(16,425)
Fund balance, beginning	<u>189,002</u>	<u>205,427</u>
Fund balance, ending	<u>\$ 286,631</u>	<u>\$ 189,002</u>

The accompanying notes are an integral part of this statement.

LAFAYETTE METRO NARCOTICS AGENCY
Lafayette, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget (GAAP Basis) and Actual - Governmental Fund Type - General Fund
Year Ended December 31, 1999

	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:			
Forfeitures	\$ 100,000	\$ 128,288	\$ 28,288
Restitution	500	440	(60)
Intergovernmental revenues:			
City of Lafayette	50,000	50,000	-
Lafayette Parish Sheriff	80,000	80,000	-
Interest	9,000	10,232	1,232
Miscellaneous	-	1,590	1,590
Total revenues	239,500	270,550	31,050
Expenditures:			
Current -			
Public safety:			
Building lease	20,400	20,400	-
Equipment rent	2,500	1,737	763
Liability insurance	35,000	33,515	1,485
Telephone	9,500	8,375	1,125
Utilities	5,500	5,462	38
Maintenance	3,000	2,093	907
Office	3,000	2,136	864
Litigation settlements	-	3,270	(3,270)
Uniforms	1,500	1,387	113
Investigations	53,500	44,821	8,679
Training	23,000	20,052	2,948
Canine	2,200	1,871	329
Supplies and small equipment	17,000	16,182	818
Professional fees	7,500	7,512	(12)
Other	1,000	370	630
Capital outlay -			
Equipment	10,000	3,738	6,262
Total expenditures	194,600	172,921	21,679
Excess of revenues over expenditures	44,900	97,629	52,729
Fund balance, beginning	189,002	189,002	-
Fund balance, ending	\$233,902	\$286,631	\$ 52,729

The accompanying notes are an integral part of this statement.

LAFAYETTE METRO NARCOTICS AGENCY
Lafayette, Louisiana

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

The Lafayette Metro Narcotics Agency (Agency) was formed by a joint powers agreement entered into on November 17, 1988, between the City of Lafayette, the University of Southwestern Louisiana, the District Attorney of the Fifteenth Judicial District, and the Lafayette Parish Sheriff. The Agency's primary responsibility is to perform investigations and analytical studies of controlled substances and, when necessary under lawful rules, take into custody all persons accused of committing criminal violations with the emphasis on controlled substances.

The accounting and reporting policies of the Lafayette Metro Narcotics Agency conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of the industry audit guide, Audits of State and Local Governmental Units.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

For financial reporting purposes, the Agency includes all funds and account groups, activities, et cetera, that are controlled by the Agency. The Agency is solely responsible for the operations of its office, which includes authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Other than certain operating expenditures of the Agency's office that are paid or provided by the members of the joint agreement, the Agency is financially independent. Accordingly, the Agency is a separate governmental reporting entity. Certain units of local government, over which the Agency exercises no oversight responsibility, such as the parish officials and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Agency.

B. Fund Accounting

The accounts of the Agency 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 comprises 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 fund presented in the financial statements is described as follows:

General Fund

The General Fund, as provided by Louisiana Revised Statute 33:1422, is the principal fund of the Agency's office and accounts for the operations of the Agency. The Agency's primary source of revenue is the intergovernmental revenue as described in the joint powers agreement. Other sources of revenue include forfeitures and restitutions. General operating expenditures are paid from this fund.

LAFAYETTE METRO NARCOTICS AGENCY
Lafayette, Louisiana

Notes to Financial Statements (Continued)

C. General Fixed Assets

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in the General Fund. General fixed assets provided by the members of the joint agreement are not recorded within the general fixed assets account group. All purchased fixed assets are stated at historical cost. No depreciation has been provided on general fixed assets.

The account group is not a fund. It is concerned only with the measurement of financial position and does not involve measurement of results of operations.

D. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The accompanying general purpose financial statements have been prepared on the modified accrual basis of accounting. The General Fund uses the following practices in recording revenues and expenditures:

Revenues -

Intergovernmental revenues are recorded when the Agency is entitled to the funds.

Interest on interest-bearing deposits is recorded or accrued as revenue when earned. Substantially all other revenues are recorded when received.

Expenditures -

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Purchases of various operating supplies are regarded as expenditures at the time purchased.

E. Forfeited Assets

The Agency acquires various assets which are forfeited by defendants in accordance with judgments rendered by the courts in certain drug-related cases. It is the policy of the agency to sell all forfeited assets and record the proceeds as revenue at the time of the sale. At December 31, 1999, the Agency has numerous assets which have not been sold and are not reported in the accompanying general purpose financial statements.

LAFAYETTE METRO NARCOTICS AGENCY
Lafayette, Louisiana

Notes to Financial Statements (Continued)

F. Budget and Budgetary Accounting

The Agency follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The controller prepares a proposed budget and submits it to the board of directors for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. The proposed budget is made available for public inspection.
3. The budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
4. All budgetary appropriations lapse at the end of each fiscal year.
5. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the board.

G. Interest-Bearing Deposits

Interest-bearing deposits are stated at cost, which approximates market.

H. Fund Balance

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

The reserve was created to represent the portion of fund balance that is not available for expenditures within the next budgetary period.

I. Vacation, Sick Leave and Pension Plan

The Agency had no employees during the year ended December 31, 1999; therefore, it did not have a policy on vacation and sick leave, nor did it have a pension plan.

J. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Agency as an extension of formal budgetary integration in the funds.

LAFAYETTE METRO NARCOTICS AGENCY
Lafayette, Louisiana

Notes to Financial Statements (Continued)

K. 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, results of operations, or changes in 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.

L. Comparative Data

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Agency's financial position and operations. However, comparative data have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

(2) Cash and Interest-Bearing Deposits

Under state law, the Agency may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Agency may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. Included in total cash and interest-bearing deposits of \$254,788 is \$23,416 which is held by the Agency for use in drug-related investigations. At December 31, 1999, the Agency has cash and interest-bearing (book balances) totaling \$254,788, as follows:

Cash	\$ 23,416
Interest-bearing deposits	<u>231,372</u>
	<u><u>\$254,788</u></u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at December 31, 1999, are secured as follows:

Bank balances	<u>\$241,890</u>
Federal deposit insurance	\$108,939
Pledged securities (Category 3)	<u>132,951</u>
Total federal insurance and pledged securities	<u><u>\$241,890</u></u>

LAFAYETTE METRO NARCOTICS AGENCY
Lafayette, Louisiana

Notes to Financial Statements (Continued)

Pledged securities in Category 3 include uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Agency's name. Even though the pledged securities are considered uncollateralized (Category 3) Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Agency that the fiscal agent has failed to pay deposited funds upon demand.

(3) Due from other Governmental Agencies

Asset forfeitures received by the District Attorney in the amount of \$19,499 during 1999 which were remitted to the Agency subsequent to the fiscal year end are recorded as due from other governmental agencies at December 31, 1999.

(4) Changes in General Fixed Assets

A summary of changes in general fixed assets (vehicles and equipment) follows:

Balance, January 1, 1999	\$ 157,654
Additions	3,738
Reductions	<u>-</u>
Balance, December 31, 1999	<u>\$ 161,392</u>

(5) Expenditures of the Agency's Office Paid by the Members of the Joint Agreement

The Agency's deputies are employees of and the vehicles used are owned by the Lafayette Parish Sheriff or City of Lafayette Police Department. All related expenses are paid by these two governmental bodies. Accordingly, these expenses are not included in the accompanying general purpose financial statements.

(6) Board Members

During the year ended December 31, 1999, the following individuals served on the Board of Directors and received no compensation:

Michael Harson
Donald Breaux
Charles Crenshaw
Keith Stutes

Joey Sturm
Walter Comeaux
Randal Menard
Danny Hefner

LAFAYETTE METRO NARCOTICS AGENCY
Lafayette, Louisiana

Notes to Financial Statements (Continued)

(7) Litigation and Claims

At December 31, 1999, the Agency is a defendant in lawsuits which may result in the payment of damages. It is the opinion of legal counsel for the Agency that the amount, if any, resulting from the settlement of these lawsuits not covered by insurance is not possible to predict at this time.

(8) Going Concern

The City of Lafayette, the University of Louisiana at Lafayette, the District Attorney of the Fifteenth Judicial District, and the Lafayette Parish Sheriff intend to terminate the joint powers agreement entered into on November 17, 1988, under which the Lafayette Metro Narcotics Agency exists. It has been determined that the current activities of the Agency would be most efficiently served by control, supervision, and administration of such activities by the Lafayette Parish Sheriff's office.

SUPPLEMENTARY INFORMATION

**COMPLIANCE
AND
INTERNAL CONTROL**

KOLDER, CHAMPAGNE, SLAVEN & RAINEY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA
Russell F. Champagne, CPA
Victor R. Slaven, CPA
Chris Ramey, CPA
Conrad O. Chapman, CPA
P. Troy Courville, CPA

P.O. Box 82329
Lafayette, LA 70598

Phone (337) 232-4141
Fax (337) 232-8660

WEB SITE
WWW.KCSRCPAS.COM

MEMBER OF

AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

Allen J. LaBry, CPA
Penny Angelle Scruggins, CPA
Mary T. Thibodeaux, CPA
Gerald A. Thibodeaux, Jr., CPA
Kelly M. Doucet, CPA
Kenneth J. Rachal, CPA
Lisa G. Spain, CPA

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Lafayette Metro Narcotics Agency
Lafayette, Louisiana

We have audited the component unit financial statements of the Lafayette Metro Narcotics Agency for the year ended December 31, 1999, and have issued our report thereon dated April 12, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Lafayette Metro Narcotics Agency'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 noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Lafayette Metro Narcotics Agency, 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 the 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 Lafayette Metro Narcotics Agency'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 summary schedule of current and prior year audit findings and corrective action plan at Item 99-1 (IC).

234 Rue Beauregard
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8660

113 East Bridge Street
Breaux Bridge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

133 East Waddil
Marksville, LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

1234 David Drive, Suite 105
Morgan City, LA 70380
Phone (504) 384-2020
Fax (504) 384-3020

408 W. Cotton Street
Ville Platte, LA 70586
Phone (337) 363-2792
Fax (337) 363-3049

332 W. Sixth Avenue
Oberlin, LA 70655
Phone (337) 639-4737
Fax (337) 639-4568

200 South Main Street
Abbeville, LA 70511
Phone (337) 893-7944
Fax (337) 893-7946

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. We believe the reportable condition described in the accompanying schedule of current and prior year audit findings and corrective action plan at Item 99-1 (IC) is a material weakness.

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

Kolder, Champagne, Slaven & Rainey, LLC
Certified Public Accountants

Lafayette, Louisiana
April 12, 2000

LAFAYETTE METRO NARCOTICS AGENCY
Lafayette, Louisiana

Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan
Year Ended December 31, 1999

Ref. No.	Fiscal Year Finding Initially Occurred	Description of finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
CURRENT YEAR (12/31/99) --						
<u>Internal Control</u>						
99-1 (IC)	Unknown	Due to the small number of employees, the Agency did not have adequate segregation of functions within the accounting system.	N/A	Based upon the cost-benefit of additional personnel, it may not be feasible to achieve segregation of accounting functions.	Danny Hefner	N/A
PRIOR YEAR (12/31/98) --						
(Same as 99-1).						