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

To the Board of Governors
Jefferson Parish Human Services Authority
Metairie, Louisiana

We have audited the general-purpose financial statements of Jefferson Parish Human Services Authority as of and for the year ended June 30, 1996, and have issued our report thereon dated August 29, 1996.

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.

In planning and performing our audit of the general-purpose financial statements of the Authority for the year ended June 30, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, 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 general-purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

The management of the Authority 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



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**JEFFERSON PARISH
HUMAN SERVICES AUTHORITY
REPORTS ON INTERNAL CONTROL STRUCTURE
REPORTS ON COMPLIANCE
REPORT AND SCHEDULE
OF FEDERAL FINANCIAL ASSISTANCE
Year Ended June 30, 1996**

Accrued Revenue at June 30, 1995	Cash Received During Year	Accrued Revenue at June 30, 1996	Total Revenue Recognized	Total Expenditures	
				Federal	Other
\$ 16,610	\$ 197,571	\$ 36,190	\$ 217,151	\$ 217,151	\$ 0
6,215	47,194	31,448	72,427	72,427	0
<u>5,613</u>	<u>38,947</u>	<u>8,905</u>	<u>42,239</u>	<u>42,239</u>	<u>0</u>
28,438	283,712	76,543	331,817	331,817	0
12,687	80,957	31,582	99,852	99,852	42,315
<u>0</u>	<u>0</u>	<u>8,727</u>	<u>8,727</u>	<u>8,727</u>	<u>0</u>
12,687	80,957	40,309	108,579	108,579	42,315
0	82,410	41,006	123,416	123,416	0
<u>0</u>	<u>0</u>	<u>8,530</u>	<u>8,530</u>	<u>8,530</u>	<u>0</u>
<u>0</u>	<u>82,410</u>	<u>49,536</u>	<u>131,946</u>	<u>131,946</u>	<u>0</u>
<u>\$ 41,125</u>	<u>\$ 447,079</u>	<u>\$ 166,388</u>	<u>\$ 572,342</u>	<u>\$ 572,342</u>	<u>\$ 42,315</u>

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				Federal	Other
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28,438	283,712	76,543	331,817	331,817	0
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<u>0</u>	<u>82,410</u>	<u>49,536</u>	<u>131,946</u>	<u>131,946</u>	<u>0</u>
<u>\$ 41,125</u>	<u>\$ 447,079</u>	<u>\$ 166,388</u>	<u>\$ 572,342</u>	<u>\$ 572,342</u>	<u>\$ 42,315</u>

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INDEPENDENT AUDITORS' REPORT ON THE SUPPLEMENTARY SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

To The Board of Governors
Jefferson Parish Human Services Authority
Metairie, Louisiana

We have audited the general-purpose financial statements of Jefferson Parish Human Services Authority, as of and for the year ended June 30, 1996, and have issued our report thereon dated August 29, 1996. These general-purpose financial statements are the responsibility of Jefferson Parish Human Services Authority'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; *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget Circular A-128, *Audits of State and Local Governments*. 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 financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the general-purpose financial statements of Jefferson Parish Human Services Authority, taken as a whole. The accompanying Schedule of Federal Financial Assistance is presented for purposes of additional analysis and is not a required part of the general-purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general-purpose financial statements taken as a whole.

Kushner, LaGraize & Moore, L.L.P.

Metairie, Louisiana
August 29, 1996

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

This report is intended for the information of the Board of Governors, the Legislative Auditor of the State of Louisiana, and the Louisiana Department of Social Services. However, this report is a matter of public record and its distribution is not limited.

Kushner, LaGraize & Moore, L.L.P.

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

To the Board of Governors
Jefferson Parish Human Services Authority
Metairie, Louisiana

We have audited the general-purpose financial statements of Jefferson Parish Human Services Authority as of and for the year ended June 30, 1996, and have issued our report thereon dated August 29, 1996.

We have applied procedures to test Jefferson Parish Human Services Authority's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended June 30, 1996; political activity, civil rights, cash management, federal financial reports, allowable costs, Drug Free Workplace Act, and administrative requirements.

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's *Compliance Supplement for Single Audits of State and Local Governments*. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Jefferson Parish Human Services Authority's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that Jefferson Parish Human Services Authority had not complied, in all material respects, with those requirements.

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

This report is intended for the information of the Board of Governors, the Legislative Auditor of the State of Louisiana, and the Louisiana Department of Social Services. However, this report is a matter of public record and its distribution is not limited.

Kushner, LaGrange & Moore, L.L.P.

Metairie, Louisiana
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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS

To the Board of Governors
Jefferson Parish Human Services Authority
Metairie, Louisiana

We have audited the general-purpose financial statements of Jefferson Parish Human Services Authority as of and for the year ended June 30, 1996, and have issued our report thereon dated August 29, 1996.

In connection with our audit of the general-purpose financial statements of Jefferson Parish Human Services Authority, and with our consideration of the Authority's control structure used to administer federal financial assistance programs, as required by OMB Circular A-128, *Audits of State and Local Governments*, we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended June 30, 1996. As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed, reporting, and claims for advances that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Authority's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the Authority had not complied, in all material respects, with those requirements.

**INDEPENDENT AUDITORS' REPORT
ON THE INTERNAL CONTROL STRUCTURE
USED IN ADMINISTERING
FEDERAL FINANCIAL ASSISTANCE PROGRAMS - CONTINUED**

internal control structure policies and procedures. Accordingly, we do not express such an opinion.

Our consideration of the internal control policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might constitute 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 noncompliance with laws and regulations that would be material to a federal financial assistance program 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 operations that we consider to be material weaknesses as defined above.

This report is intended for the information of the Board of Governors, the Legislative Auditor of the State of Louisiana, and the Louisiana Department of Social Services. However, this report is a matter of public record and its distribution is not limited.

Kushner, LaGraize & Moore, L.L.P.

Metairie, Louisiana
August 29, 1996

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INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS

To The Board of Governors
Jefferson Parish Human Services Authority
Metairie, Louisiana

We have audited the general-purpose financial statements of Jefferson Parish Human Services Authority as of and for the year ended June 30, 1996, and have issued our report thereon dated August 29, 1996.

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

In planning and performing our audit for the year ended June 30, 1996, we considered the internal control structure of Jefferson Parish Human Services Authority, in order to determine our auditing procedures for the purpose of expressing our opinion on the Authority's general-purpose financial statements, and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general-purpose financial statements in a separate report dated August 29, 1996.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH
LAWS AND REGULATIONS BASED ON
AN AUDIT OF GENERAL-PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS - CONTINUED**

This report is intended for the information of the Board of Governors, the Legislative Auditor of the State of Louisiana, and the Louisiana Department of Social Services. However, this report is a matter of public record and its distribution is not limited.

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Metairie, Louisiana
August 29, 1996

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS BASED ON AN AUDIT OF GENERAL-PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To The Board of Governors
Jefferson Parish Human Services Authority
Metairie, Louisiana

We have audited the general-purpose financial statements of Jefferson Parish Human Services Authority as of and for the year ended June 30, 1996, and have issued our report thereon dated August 29, 1996.

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.

Compliance with laws, regulations, contracts, and grants applicable to Jefferson Parish Human Services Authority is the responsibility of the Authority's management. As part of obtaining reasonable assurance about whether the general-purpose financial statements are free of material misstatement, we performed tests of the Authority's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the general-purpose 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 instances of noncompliance that are required to be reported herein under *Government Auditing Standards*.

**INDEPENDENT AUDITORS' REPORT
ON THE INTERNAL CONTROL STRUCTURE BASED ON
AN AUDIT OF GENERAL-PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS
- CONTINUED**

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 the general-purpose 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.

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 and irregularities in amounts that would be material in relation to the general-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operations that we consider to be material weaknesses as defined above.

This report is intended for the information of the Board of Governors, the Legislative Auditor of the State of Louisiana, and the Louisiana Department of Social Services. However, this report is a matter of public record and its distribution is not limited.

Kushner, LaGraize & Moore, L.L.P.

Metairie, Louisiana
August 29, 1996

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**JEFFERSON PARISH HUMAN SERVICES AUTHORITY
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE**

For the Year Ended June 30, 1996

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Amount</u>
U.S. Department of Health & Human Services:		
Pass-through from State Department of Social Services Social Services Block Grant	93.667	\$ 239,347
Pass-through from City of New Orleans, Louisiana HIV Emergency Release Formula Grant	93.915	90,253
Pass-through from State Department of Health & Hospitals HIV Prevention	93.940	<u>51,780</u>
Total U.S. Department of Health & Human Services		381,380
U.S. Department of Justice:		
Pass-through from Jefferson Parish Council, Jefferson Parish, Louisiana Drug Court Clinic	16.579	99,927
Family Strengthening Grant	16.540	<u>8,727</u>
Total U.S. Department of Justice		108,654
U.S. Department of Housing & Urban Development:		
Pass-through from Unity for the Homeless Supportive Housing Program	14.235	263,491
Pass-through from City of New Orleans, Louisiana Housing Opportunities for People with AIDS	14.241	<u>8,530</u>
Total U.S. Department of Housing & Urban Development		<u>272,021</u>
Total		<u>\$ 762,055</u>

**INDEPENDENT AUDITORS' REPORT
ON THE INTERNAL CONTROL STRUCTURE
USED IN ADMINISTERING
FEDERAL FINANCIAL ASSISTANCE PROGRAMS - CONTINUED**

The management of Jefferson Parish Human Services Authority is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general-purpose financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs into the following categories: cash receipts/revenues, purchases/disbursements/expenses, general requirements, and specific requirements applicable to non-major programs.

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended June 30, 1996, Jefferson Parish Human Services Authority, had no major federal financial assistance programs and expended 38 percent of its total federal financial assistance under the Social Services Block Grant and 22 percent under the Supportive Housing Program Grant.

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we have considered relevant to preventing or detecting material non-compliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to the aforementioned nonmajor programs. Our procedures were less in scope than would be necessary to render an opinion on these