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To the Board of Directors of
Plantation Education Program, Inc.
New Iberia, Louisiana

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying statements of financial position of Plantation Education Program, Inc. (a nonprofit organization) as of June 30, 1996 and 1995 and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. 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 provisions of Office of Management and Budget (OMB) Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions" and the provisions of Louisiana Revised Statutes 24:513 and the Louisiana Governmental Audit Guide. Those standards and OMB Circular A-133 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Plantation Education Program, Inc. as of June 30, 1996 and 1995, and the results of its activities and its cash flows for the years then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards we have also issued a report dated September 9, 1996, on our consideration of Plantation Education Program, Inc's internal control structure and a report dated September 9, 1996, on its compliance with laws and regulations.

Dressel & Friend

DRESSEL & FRIEND
Certified Public Accountants

September 9, 1996

PLANTATION EDUCATION PROGRAM, INC.
New Iberia, Louisiana

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1996

NOTE 3 - EQUIPMENT AND SOFTWARE

Major classifications of equipment and software and their respective depreciable lives are summarized below:

	<u>1996</u>	<u>1995</u>	<u>Depreciable Lives</u>
Furniture and Equipment	\$ 58,089	\$ 52,059	5 Years
Software	<u>20,007</u>	<u>19,458</u>	5 Years
	\$ 78,096	\$ 71,517	
Less: Accumulated Depreciation	<u>56,745</u>	<u>47,319</u>	
Total	<u>\$ 21,351</u>	<u>\$ 24,198</u>	

All depreciable assets are depreciated using the straight line method of depreciation.

NOTE 4 - CONTRIBUTED SERVICES

A number of unpaid volunteers have made significant contributions of their time to PEPI. The value of this contributed time is not reflected in these statements since it is not susceptible to objective measurement or valuation.

NOTE 5 - COMMITMENT

PEPI currently has a contract to lease office space for a period of three years beginning May 1, 1995 and ending April 30, 1998. The consideration for the lease is \$15,000 per year and payment of any and all utilities. A provision of the contract provides for maintenance renovations and repairs to be provided by the leasee in lieu of the \$15,000 payment. For the fiscal year ended June 30, 1995, \$13,433 was expended for renovations and major repairs. As a result, PEPI had prepaid rent in the amount of \$8,982 at June 30, 1995. This amount was expensed at \$1,250 during the year ended June 30, 1996.

Future minimum rental payments for the next 5 years is as follows:

June 30, 1997	\$ 15,000
June 30, 1998	12,500
June 30, 1999	-
June 30, 2000	-
June 30, 2001	-
	<u>\$ 27,500</u>

PLANTATION EDUCATION PROGRAM, INC.
New Iberia, Louisiana

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1996

NOTE 1 - Continued

- G. Cash and Cash Equivalents - Cash and Cash Equivalents include amounts on hand and amounts in demand deposit accounts and money
- H. Contributions - Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions.

NOTE 2 - DESCRIPTION OF PROGRAM

Plantation Education Program, Inc. was formed on November 13, 1979, as a non-profit corporation organized solely and exclusively for educational purposes and to provide educational opportunities for the community of Southern Louisiana.

The major source of program revenue is received under an agreement with the State of Louisiana Department of Social Services, Office of Family Support. These programs are called Project Independence and Project Independence Low Literacy. PEPI is reimbursed for actual expenses of these projects. Schedule CC-1 and CC-2 in other reports show additional information on these program.

PEPI also receives some revenue from United Way and from donations for other educational program that it administers.

Our February 28, 1996 PEPI was awarded a \$23,000 grant from the School Sisters of Notre Dame. This grant is payable in three installments. The first installment of \$5,000 was paid in February, 1996. The following installment of \$9,000 each are to be received in the Fall of 1996 & 1997. The funds from the grant are to be used to purchase 10 computers on a network, course ware, installation and training.

PLANTATION EDUCATION PROGRAM, INC.
New Iberia, Louisiana

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. Basis of Accounting - The financial statements of Plantation Education Program, Inc. (PEPI) have been prepared on the accrual basis.
- B. Financial Statement Presentation - PEPI reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.
- C. Grants - The Organization records income from unrestricted grants in the period designated by the grantor.
- D. Income Taxes - PEPI was organized under Internal Revenue Code Section 501(c)(3) governing exempt organizations and as such is not subject to federal or state income taxes. An annual Form 990, "Return of Organization Exempt from Tax", is filed by PEPI for each fiscal year ending June 30. PEPI is classified by the Internal Revenue Service as a Non Private Foundation-Non Profit.
- E. Equipment and Software - Equipment and software are recorded at the basis of original cost. The cost of significant improvements or renovations which materially extend the useful lives of existing equipment is capitalized. The cost of ordinary maintenance and repairs is charged to expense as incurred. Straight-line methods of depreciation are used for financial reporting purposes.
- F. Recognition of Donor Restrictions - Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. The assets purchased with government grants can not be sold or disposed of in any way and are therefore reported as an increase in permanently restricted net assets.

PLANTATION EDUCATION PROGRAM, INC.

COMPARATIVE STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED
JUNE 30 AS INDICATED

RECONCILIATION OF CHANGE IN NET ASSETS
TO NET CASH PROVIDED BY OPERATING ACTIVITIES

	<u>1996</u>	<u>1995</u>
CHANGE IN NET ASSETS (EXHIBIT II)	\$ (11,255)	\$ (27,353)
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Depreciation	9,426	11,088
(Increase) Decrease in grant receivable	(2,000)	312
Decrease in prepaid expenses	8,740	1,809
Increase (Decrease) in accounts payable	2,399	(1,832)
(Increase) Decrease in marketable securities	(166)	-
Grant to purchase equipment	<u>(1,584)</u>	<u>-</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 5,560</u>	<u>\$ (15,976)</u>

The accompanying notes and accountant's report
are an integral part of these financial statements

PLANTATION EDUCATION PROGRAM, INC.

COMPARATIVE STATEMENTS OF CASH FLOWS	FOR THE YEARS ENDED JUNE 30 AS INDICATED	
	1996	1995
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from grants	\$ 199,551	\$ 163,070
Cash received from United Way	6,000	5,800
Cash received from contributions	2,255	4,159
Other cash receipts	797	739
Interest received	1,412	1,341
Cash paid to employees and suppliers	<u>(204,455)</u>	<u>(191,085)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ <u>5,560</u>	\$ <u>(15,976)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash received from grant	\$ 1,584	\$ -
Purchase of Marketable Securities	(1,173)	(20,858)
Purchase of equipment	<u>(6,580)</u>	<u>(13,486)</u>
NET CASH USED BY INVESTING ACTIVITIES	\$ <u>(6,169)</u>	\$ <u>(34,344)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ (609)	\$ (50,320)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>13,517</u>	<u>63,837</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ <u>12,908</u>	\$ <u>13,517</u>

The accompanying notes and accountant's report
are an integral part of these financial statements

PLANTATION EDUCATION PROGRAM, INC.

COMPARATIVE STATEMENTS OF ACTIVITIES	FOR THE YEARS ENDED JUNE 30 AS INDICATED	
	<u>1996</u>	<u>1995</u>
CHANGES IN PERMANENTLY RESTRICTED NET ASSETS		
Grant (Assets Acquired)	\$ 1,584	\$ -
Depreciation	<u>(3,456)</u>	<u>(3,903)</u>
DECREASE IN PERMANENTLY RESTRICTED NET ASSETS	\$ <u>(1,872)</u>	\$ <u>(3,903)</u>
INCREASE (DECREASE) IN NET ASSETS	\$ (11,255)	\$ (27,353)
NET ASSETS AT BEGINNING OF YEAR	<u>78,017</u>	<u>105,370</u>
NET ASSETS AT END OF YEAR	<u>\$ 66,762</u>	<u>\$ 78,017</u>

The accompanying notes and accountant's report
are an integral part of these financial statements

PLANTATION EDUCATION PROGRAM, INC.
New Iberia, Louisiana

For the Years Ended June 30, 1996 and 1995

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PLANTATION EDUCATION PROGRAM, INC.

COMPARATIVE STATEMENTS OF
FINANCIAL POSITIONFOR THE YEARS ENDED
JUNE 30 AS INDICATED

	<u>ASSETS</u>	
	<u>1996</u>	<u>1995</u>
CURRENT ASSETS:		
Cash		
Unrestricted	\$ 12,908	\$ 13,517
Receivables, grant	15,081	13,081
Prepaid Expenses	-	8,740
Marketable Securities	22,197	20,858
TOTAL CURRENT ASSETS	<u>\$ 50,186</u>	<u>\$ 56,196</u>
EQUIPMENT AND SOFTWARE:		
Furniture and Fixtures, At Cost	\$ 58,089	\$ 52,059
Computer Software, At Cost	20,007	19,458
Total	\$ 78,096	\$ 71,517
Less: Accumulated Depreciation	<u>56,745</u>	<u>47,319</u>
TOTAL EQUIPMENT AND SOFTWARE	<u>\$ 21,351</u>	<u>\$ 24,198</u>
TOTAL ASSETS	<u>\$ 71,537</u>	<u>\$ 80,394</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES:		
Accounts Payable	\$ 2,795	\$ 585
Payroll Taxes Payable	<u>1,980</u>	<u>1,792</u>
TOTAL CURRENT LIABILITIES	\$ 4,775	\$ 2,377
NET ASSETS:		
Unrestricted	\$ 62,746	\$ 72,129
Permanently Restricted	<u>4,016</u>	<u>5,888</u>
TOTAL NET ASSETS (Exhibit II)	<u>\$ 66,762</u>	<u>\$ 78,017</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 71,537</u>	<u>\$ 80,394</u>

The accompanying notes and accountant's report
are an integral part of these financial statements

PLANTATION EDUCATION PROGRAM, INC.
New Iberia, Louisiana

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1996

NOTE 6 - RENTAL EXPENSE

Total rental expense for the year ended June 30, 1996 and 1995 is \$15,000.00.

NOTE 7 - PER DIEM PAID TO BOARD

For the year ended June 30, 1996 and 1995, the board members did not receive any compensation.

NOTE 8 - RESTRICTIONS ON ASSETS

	<u>1996</u>	<u>1995</u>
Permanently restricted net assets consist of:		
Assets acquired with government grants, (cost)	\$ 20,673	\$ 19,089
Less: Accumulated depreciation	<u>16,657</u>	<u>13,201</u>
	<u>\$ 4,016</u>	<u>\$ 5,888</u>

NOTE 9 - PREPAID EXPENSES

For the year ending June 30, 1995, the organization made repairs to the building which are to be applied to rent. These expenditures are set up in prepaid rent. The prepaid rent is expensed to rent at a rate of \$1,250 a month over the remaining term of the lease. PEPI then requests reimbursement from the State of Louisiana Department of Social Service for Project Independence's portion of the monthly rent.

NOTE 10 - MARKETABLE SECURITIES

At June 30, 1996, the marketable securities are carried at their market value.

This report is intended for the information of the Director, State of Louisiana Department of Social Services, and Office of the Legislative Auditor and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the State of Louisiana Office of the Legislative Auditor, is a matter of public record.

Dressel & Friend

DRESSEL & FRIEND, CPAs

New Iberia, Louisiana
September 9, 1996

PLANTATION EDUCATION PROGRAM, INC.

COMPARATIVE STATEMENTS OF ACTIVITIES	FOR THE YEARS ENDED JUNE 30 AS INDICATED	
	1996	1995
CHANGES IN UNRESTRICTED NET ASSETS		
SUPPORT AND REVENUE:		
Grants - Governmental	\$ 195,051	\$ 162,758
Grants - Other	6,500	-
United Way	6,000	5,800
Contributions	2,255	4,159
Other	797	739
Interest	1,412	1,341
Unrealized Gain on Marketable Securities	166	-
TOTAL SUPPORT AND REVENUE	\$ 212,181	\$ 174,797
EXPENSES:		
Audit	\$ 3,000	\$ 3,000
Awards	298	597
Bank Charges	71	-
Benefits	8,519	5,759
Contract Services	11,006	11,236
Depreciation	5,970	7,185
Educational Materials	2,066	2,125
Enrichment	-	746
Field Trips	74	90
Grant Expense	650	-
Insurance	3,727	2,194
Maintenance Contracts	4,688	4,181
Membership Dues	112	75
Mileage	-	548
Miscellaneous	1,892	1,438
Occupancy	23,067	18,960
Office	971	506
Payroll Taxes	10,646	9,441
Penalties	-	20
Postage	180	238
Printing	412	124
Publicity	-	-
Salaries	139,177	123,241
Staff Development	245	216
Student Fees	-	37
Supplies	2,474	3,482
Taxes & Licenses	5	10
Telephone	1,118	1,252
Testing	1,196	1,387
Work Shop	-	159
TOTAL EXPENSES	\$ 221,564	\$ 198,247
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	\$ (9,383)	\$ (23,450)

The accompanying notes and accountant's report
are an integral part of these financial statements

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

To the Board of Directors of
Plantation Education Program, Inc.
New Iberia, Louisiana

We have audited the financial statements of Plantation Education Program, Inc. (a nonprofit organization) as of and for the years ended June 30, 1996 and 1995, and have issued our report thereon dated September 9, 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 and the provisions of Office of Management and Budget (OMB) Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions" and the provisions of Louisiana Revised Statutes 24:513 and the Louisiana Governmental Audit Guide. Those standards and OMB Circular A-133 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 Plantation Education Program, Inc. is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of 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 planning and performing our audit of the financial statements of Plantation Education Program, Inc., for the years ended June 30, 1996 and 1995, 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 financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

AA

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 the Director, State of Louisiana Department of Social Services, and Office of the Legislative Auditor and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report which, upon acceptance by the State of Louisiana Office of the Legislative Auditor, is a matter of public record.

Dressel & Friend

Dressel & Friend, CPA's

New Iberia, Louisiana

September 9, 1996

Dressel & Friend

TERREL P. DRESSEL, CPA
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors of
Plantation Education Program, Inc.
New Iberia, Louisiana

We have audited the financial statements of Plantation Education Program, Inc. (a nonprofit organization) as of and for the years ended June 30, 1996 and 1995, and have issued our report thereon dated September 9, 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, and the provisions of Office of Management and Budget (OMB) Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions" and the provisions of Louisiana Revised Statutes 24:513 and the Louisiana Governmental Audit Guide. Those standards and OMB Circular A-133 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, contracts, and grants applicable to Plantation Education Program, Inc. is the responsibility of the Organization's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Organization's compliance with certain provisions of laws, regulations, contracts, and grants. 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 instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information of the Director, State of Louisiana Department of Social Services, and Office of the Legislative Auditor, and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report which, upon acceptance by the State of Louisiana Office of the Legislative Auditor, is a matter of public record.

Dressel & Friend

DRESSEL & FRIEND, CPA

New Iberia, Louisiana

September 9, 1996

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INDEPENDENT AUDITOR'S REPORT ON SCHEDULES OF FEDERAL AWARDS

To the Board of Directors of
Plantation Education Program, Inc.
New Iberia, Louisiana

We have audited the financial statements of Plantation Education Program, Inc. (a nonprofit organization) as of and for the years ended June 30, 1996 and 1995, and have issued our report thereon dated September 9, 1996. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, and the Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget (OMB) Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions" and the provisions of Louisiana Revised Statutes 24:513 and the Louisiana Governmental Audit Guide. Those standards and OMB Circular A-133 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.

Our audit was made for the purpose of forming an opinion on the financial statements of Plantation Education Program, Inc. taken as a whole. The accompanying schedules of federal awards are presented for purposes of additional analysis and are not a required part of the financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, are fairly presented in all material respects in relation to the financial statements taken as a whole.

Dressel & Friend

DRESSEL & FRIEND, CPA'S

New Iberia, Louisiana
September 9, 1996

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Plantation Education Program, Inc.
New Iberia, Louisiana

FOR THE YEARS ENDED
JUNE 30 AS INDICATED

SCHEDULE OF AWARDS

Pass-through grantor:	State of Louisiana Department of Social Services-Office of Family Support	
Program Title:	Project Independence	
Contract Number:	CFMS #503960	
	<u>1996</u>	<u>1995</u>
Program Amount:	<u>\$ 147,527</u>	<u>\$ 163,097</u>
Receipts Recognized:	\$ 145,518	\$ 162,758
Disbursements/Expenditures:		
Expenses:		
Audit	\$ 1,712	\$ 2,140
Benefits	6,442	5,759
Contract Service	8,826	11,236
Educational Materials	1,036	2,000
Insurance	1,978	1,421
Maintenance Contracts	2,610	3,500
Membership Dues	25	50
Office	520	420
Payroll Taxes-FICA	7,380	8,219
Phone	788	349
Postage	83	196
Printing	80	124
Salaries	96,488	107,442
Staff Development	43	169
Supplies	1,072	2,430
Testing	698	1,116
Occupancy	<u>16,405</u>	<u>16,325</u>
Total Expenses	\$ 146,186	\$ 162,896
Capital Expenditures		
Furniture & Equipment	\$ -	\$ -
Software	-	330
Total Capital Expenditures	<u>\$ -</u>	<u>\$ 330</u>
Total Disbursements/Expenditures	<u>\$ 146,186</u>	<u>\$ 163,226</u>
Excess of Receipts over (Under) Expenditures	<u>\$ (668)</u>	<u>\$ (468) *</u>

*The excess of receipts over (under) expenditures represents the difference between accrual entries made to adjust the books from cash basis to accrual basis.

Plantation Education Program, Inc.
New Iberia, Louisiana

FOR THE YEARS ENDED
JUNE 30 AS INDICATED

SCHEDULE OF AWARDS

Pass-through grantor:	State of Louisiana Department of Social Services-Office of Family Support
Program Title:	Project Independence Low Literacy
Contract Number:	CFMS #504661 <u>1996</u>
Program Amount:	<u>\$ 51,659</u>
Receipts Recognized:	\$ 51,117
Disbursements/Expenditures:	
Expenses:	
Audit	\$ 428
Benefits	2,028
Contract Service	2,180
Educational Materials	822
Insurance	1,330
Maintenance Contracts	1,043
Membership Dues	25
Office	175
Payroll Taxes-FICA	2,618
Phone	226
Postage	30
Printing	20
Salaries	34,219
Supplies	785
Testing	275
Occupancy	<u>3,212</u>
Total Expenses	\$ 49,416
Capital Expenditures	
Furniture & Equipment	\$ 1,584
Software	<u>331</u>
Total Capital Expenditures	<u>\$ 1,915</u>
Total Disbursements/Expenditures	<u>\$ 51,331</u>
Excess of Receipts over (Under) Expenditures	<u>\$ (214) *</u>

*The excess of receipts over (under) expenditures represents the difference between accrual entries made to adjust the books from cash basis to accrual basis.

The management of Plantation Education Program, Inc. is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgements 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 financial statements in accordance with generally accepted accounting principles, and that federal award 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 award programs in the following categories: (1) Cash, (2) Support, Receivables and Receipts, (3) Donated Material, Facilities and Services, (4) Expenses and Accounts Payable, (5) Payroll, (6) Property and Equipment, (7) Net Assets, (8) Debt and Other Liabilities, (9) Governmental Financial Award Programs.

For all of the internal control structure categories listed in the preceding paragraph, 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 years ended June 30, 1996 and 1995, Plantation Education Program, Inc. expended 100% of its total federal awards under major federal award programs.

We performed tests of controls, as required by OMB Circular A-133, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to each of the Organization's major federal award programs, which are identified in the accompanying schedule of federal awards. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure policies and procedures used in administering federal awards 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 reportable 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 award 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 operation that we consider to be material weaknesses as defined above.

This report is intended for the information of the Director, State of Louisiana Department of Social Services, and Office of the Legislative Auditor and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report which, upon acceptance by the State of Louisiana Office of the Legislative Auditor, is a matter of public record.

Dressel & Friend

DRESSEL & FRIEND, CPAs

New Iberia, Louisiana
September 9, 1996

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR FEDERAL AWARDS PROGRAMS

To the Board of Directors of
Plantation Education Program, Inc.
New Iberia, Louisiana

We have audited the financial statements of Plantation Education Program, Inc. (a nonprofit organization) as of and for the years ended June 30, 1996 and 1995, and have issued our report thereon dated September 9, 1996.

We have also audited Plantation Education Program, Inc.'s compliance with the requirements governing types of services allowed or unallowed; eligibility; reporting; claims for advances and reimbursements that are applicable to each of its major federal award programs, which are identified in the accompanying schedule of federal awards, for the years ended June 30, 1996 and 1995. The management of Plantation Education Program, Inc. is responsible for the Organization's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance with those requirements in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, the Office of Management and Budget (OMB) Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions" and the provisions of Louisiana Revised Statutes 24:513 and the Louisiana Governmental Audit Guide. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to in the second paragraph occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures did not disclosed any immaterial instances of noncomplince with the requirements referred to above.

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR FEDERAL AWARD PROGRAM TRANSACTIONS

To the Board of Trustees of
Plantation Education Program, Inc.
New Iberia, LA 70560

We have audited the financial statements of Plantation Education Program, Inc. (a nonprofit organization) as of and for the years ended June 30, 1996 and 1995, and have issued our report thereon dated September 9, 1996.

In connection with our audit of the financial statements of Plantation Education Program, Inc. and with our consideration of the Organization's internal control used to administer federal award programs, as required by Office of Management and Budget (OMB) Circular A-133, "Audit of Institutions of Higher Education and Other Nonprofit Institutions," we selected certain transactions applicable to certain nonmajor federal award programs for the year ended June 30, 1996 (the first year). As required by OMB Circular A-133, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed, eligibility, reporting, claims for advances and reimbursements 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 Plantation Education Program, Inc.'s compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of our 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 Plantation Education Program, Inc. had not complied, in all material respects, with those requirements. Also, the results of our procedures did not disclose any immaterial instances of noncompliance with those requirements.

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INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE WITH THE GENERAL REQUIREMENTS APPLICABLE
TO FEDERAL AWARDS PROGRAMS

To the Board of Directors of
Plantation Education Program, Inc.
New Iberia, Louisiana

We have audited the financial statements of Plantation Education Program, Inc. (a nonprofit organization) as of and for the years ended June 30, 1996 and 1995, and have issued our report thereon dated September 9, 1996.

We have applied procedures to test Plantation Education Program, Inc.'s compliance with the following requirements applicable to its federal award programs, which are identified in the schedule of federal awards, for the years ended June 30, 1996 and 1995: political activity, civil rights, cash management, allowable costs/cost principles.

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's "Compliance Supplement for Audits of Institutions of Higher Learning and Other Nonprofit Institutions". Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Plantation Education Program, Inc.'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 Plantation Education Program, Inc. had not complied, in all material respects, with those requirements. Also, the results of our procedures did not disclose any immaterial instances of noncompliance with those requirements.