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HOUSING AUTHORITY OF ST. CHARLES PARISH
BOULLE, LOUISIANA

FINANCIAL AND COMPLIANCE AUDIT
TOGETHER WITH
INDEPENDENT AUDITORS' REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2009

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 library office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 4/27/10

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Housing Authority of St. Charles Parish
Boutte, Louisiana

We have audited the accompanying financial statements of the Housing Authority of St. Charles Parish (HASCOP), as of and for the year ended September 30, 2001, as listed in the Table of Contents. These financial statements are the responsibility of HASCOP's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements 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 HASCOP, as of September 30, 2001, and the results of its operations and the cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

INDEPENDENT AUDITORS' REPORT
(CONTINUED)

To the Board of Commissioners
Housing Authority of St. Charles Parish
Boutte, Louisiana
Page 2

In accordance with *Government Auditing Standards*, we have also issued our report dated March 18, 2003 on our consideration of HASC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, and should be read in conjunction with this report in considering the results of our audit. Also, this report contained instances of noncompliance.



BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS

March 18, 2003

**HOUSING AUTHORITY OF ST. CHARLES PARISH
BOULTE, LOUISIANA
BALANCE SHEET-ENTERPRISE FUND
SEPTEMBER 30, 2001**

ASSETS

Cash and temporary cash investments (NOTE 2)	\$ 87,681
Amounts receivable, net (NOTE 7)	114,924
Prepaid expenses	20,702
Investment (NOTE 4)	46,775
Inventories	1,001
Land, structures and equipment, net (NOTES 3, 4 AND 12)	1,628,712
Total assets	\$1,903,795

LIABILITIES AND EQUITY

Liabilities:

Amounts and other payable (NOTE 5)	\$ 107,823
Compensated absences payable	17,499
Security deposits held for tenants (NOTE 2)	16,907
Total liabilities	141,829

Equity:

Contributed capital (NOTE 6)	1,943,949
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Retained deficit:

Unreserved retained deficit	(112,952)
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Total equity	1,750,967
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Total liabilities and equity	\$1,903,796
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The accompanying notes are an integral part of the financial statements.

**HOUSING AUTHORITY OF ST. CHARLES PARISH
BOSSIE, LOUISIANA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
RETAINED DEFICIT-ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2000**

Operating Revenues:	
Dwelling rental	\$ 158,831
Fees and charges	8,720
Total operating revenues	167,551
Operating Expenses:	
Salaries and employee benefits	284,757
Repairs and maintenance	11,733
Contractual services	33,549
Utilities	168,456
Garbage and trash removal	12,277
Depreciation	166,898
Insurance	41,864
Housing assistance payments	878,488
Consulting and interest	2,818
General	25,838
Total operating expenses	1,512,712
Operating loss	(1,345,161)
Non-operating Revenues:	
Grants and subsidies	1,348,418
Interest income	34,812
Other	7,475
Total non-operating revenues	1,390,705
Net income	45,544
Retained deficit, beginning of year	(123,982)
Adjustment to retained deficit, beginning of year (NOTE 1)	4,868
Retained deficit, as corrected, beginning of year	(119,114)
Retained deficit, end of year	\$ (73,570)

The accompanying notes are an integral part of the financial statements.

INSURING AUTHORITY OF ST. CHARLES PARISH
BOUQUET, LOUISIANA
STATEMENT OF CASH FLOWS—ENTERPRISE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2001

Operating loss	\$(1,365,156)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:	
Depreciation	166,886
Increase in accounts receivable	(75,367)
Increase in prepaid expenses	(5,751)
Decrease in investment	304,838
Increase in inventories	(3,691)
Decrease in amounts and other payable	(231,964)
Increase in compensated absence payable	12,137
Increase in security deposits held for tenants	2,690
Other	4,682
Net cash used in operating activities	(1,296,826)
Cash Flows from Investing Activities:	
Interest received	14,032
Other	2,675
Net cash provided by investing activities	21,707
Cash Flows from Noncapital Financing Activities:	
Subsidies from Federal grants	1,249,418
Net cash provided by noncapital financing activities	1,249,418
Cash Flows from Capital Financing Activities:	
Acquisition of fixed assets	(708,287)
Other	(336)
Net cash used in capital financing activities	(708,623)
Net decrease in cash and temporary cash investments	(12,031)
Cash and temporary cash investments, beginning of year	120,568
Cash and temporary cash investments, end of year	\$ 87,481
Interest paid during 2001	\$ _____

The accompanying notes are an integral part of the financial statements.

**HOUSING AUTHORITY OF ST. CHARLES PARISH
BOULTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 - Background and General Data

Background

The Housing Authority of St. Charles Parish (HASC) is a public corporation, legally separate and fiscally independent and governed by a Board of Commissioners. Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering housing programs. HASC has been contracted by HUD to administer the Low-Income and Section 8 Housing Program, (Now Housing Choice Voucher Program) respectively under Annual Contributions Contracts.

As of September 30, 2001, HASC was primarily engaged in the administration of Low-Income and Section 8 Housing Programs to low-income residents in Bogalusa, Bogalusa, and Bogalusa, Louisiana.

Under the Low-Income Program, HASC provides eligible families housing under leasing arrangements. For the Section 8 Programs, HASC provides funds in the form of rental subsidies to owners on behalf of the tenants.

Financial Reporting Entity

HASC has the power to sue and be sued, and make rules and regulations for its own government consistent with the laws of the State of Louisiana and the City of Bogalusa.

Government Accounting Standards Board (GASB) Statement No. 14, "Financial Reporting Entity" established standards for defining and reporting on the financial entity. GASB 14 indicates that the focal point for identifying the financial reporting entity is the primary government, which is considered to be any state government or general purpose local government or a special-purpose government that meets all of the following criteria: a) has a separately elected governing body; b) is legally separate; and c) is fiscally independent of other state and local governments.

**HOUSING AUTHORITY OF ST. CHARLES PARISH
ROUTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

NOTE 1 - Background and General Data, Continued

Financial Reporting Entity, Continued

HASCP was established as a separate, legal entity with a governing board which is separate and independent of any other governmental "reporting entity" as defined by GASB 14. Accordingly, management has concluded that HASCP is a financial reporting entity within the meaning of the provisions of GASB 14.

Basis of Presentation

As required by Louisiana State Reporting Law (LSR-24(514) and HUD regulations, the financial statements are prepared in accordance with accounting principles generally accepted in the United States of America.

The accounts of HASCP are accounted for under the proprietary fund. Accordingly, the accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America applied to governmental units.

Proprietary Fund Type - Proprietary Fund is accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. HASCP applies all applicable FASB pronouncements in accounting and reporting for its proprietary operations. HASCP's proprietary fund include the following type:

Enterprise Fund - Enterprise fund is used to account for those operations that are financed and operated in a manner similar to private business or where the board has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

**HOUSING AUTHORITY OF ST. CHARLES PARISH
BOUQUET, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

NOTE 1 - Background and General Data, Continued

During the year ended September 30, 2001, HASCP adopted the provisions of GASB 33 (*Accounting and Financial Reporting for Non-Exchange Transactions*) effective for fiscal years that began after June 15, 2000.

Under GASB 33 standards, HASCP recognizes assets, liabilities, revenues and expenses under its government-mandated and voluntary non-exchange transactions as follows:

- HASCP recognizes assets and liabilities when all applicable eligibility requirements are met or resources received whichever is first;
- Revenue and expenses are recognized when all applicable eligibility requirements are met;
- For transactions with time requirements, resources received prior to the satisfaction of the time requirement(s) are recorded as deferred revenue; and
- Transactions with no time requirement(s) are recorded by HASCP as revenue upon award.

Budget

HASCP prepares an annual budget for its proprietary fund. Prior to the beginning of the fiscal year October 1, the annual budget is approved by the Board of Commissioners. Also, budgetary amendments require approval by the Board. HASCP does not present its budget to actual comparisons for the enterprise fund as part of its financial statements as accounting principles generally accepted in the United States of America does not require such, despite adoption of an annual budget by the Board.

**HOUSING AUTHORITY OF ST. CHARLES PARISH
BOUQUETTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

NOTE 1 - Background and General Data, Continued

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 statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Statement of Cash Flows

For purposes of the statement of cash flows, HASCOP considers all highly liquid investments with an original maturity of ninety (90) days or less when purchased to be cash and temporary cash investments.

Land, Structures and Equipment

Land, structures, and equipment are recorded at cost. Donated assets are valued at estimated fair value on the date donated. When assets are retired or otherwise disposed of, any resulting gain or loss is reflected in income for the period.

The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend the asset's life are not capitalized in the enterprise fund.

**HOUSING AUTHORITY OF ST. CHARLES PARISH
BOULTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

NOTE 1 - Background and General Data, Continued

Land, Structures and Equipment, Continued

Structures and equipment are depreciated in the enterprise fund of HASCP using the following estimated useful lives:

<u>Assets</u>	<u>Estimated Useful Lives</u>
Building	33
Building improvements	15
Equipment	5-7

Compensated Absence

HASCP follows Louisiana Civil Service regulations for accumulated annual and sick leave. Under these regulations, employees may accumulate up to three hundred (300) hours of annual leave which may be received upon separation. Sick leave hours accumulate, but the employee is not paid for them if not used by his/her separation date.

The cost of current leave privileges computed in accordance with GASB Codification Section C60, is recognized as a current-year expense in the enterprise fund when leave is earned.

Interprogram Activities

Interprogram activities are noted at the combined financial statements level.

**HOUSING AUTHORITY OF ST. CHARLES PARISH
ROUTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

NOTE 1 - Background and General Data, Continued

Total Memorandum Only

The total column on the accompanying combining financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Such data is not comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 2 - Cash and Temporary Cash Investments

At September 30, 2001, HASCP's cash and temporary cash investments consisted of the following:

Description	Carrying Value	Market Value
Demand Deposit	\$55,609	\$55,609
Cash and Money Market Funds	<u>32,862</u>	<u>32,862</u>
Totals	<u>\$88,471</u>	<u>\$88,471</u>

Included in cash and temporary cash investments is \$16,967 of mutual security deposits.

Under state laws, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of such pledged securities and federal deposit insurance must equal or exceed the amount on deposit with the fiscal agent. These securities are held by the fiscal agent bank in the name of HASCP.

At September 30, 2001, the carrying amount of HASCP's cash deposits was \$88,471 and the cumulative bank balance was \$94,893. The bank balances are covered by federal depository insurance and collateral held by the pledging institutions' agent in HASCP's name.

**HOUSING AUTHORITY OF ST. CHARLES PARISH
BOULTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

NOTE 2 - Cash and Temporary Cash Investments, Continued

Cash and temporary cash investments are categorized as Category 1.

Category 1 represents cash insured or collateralized with securities held by the pledging financial institution's trust department or agent in HASC's name.

NOTE 3 - Land, Structures and Equipment

As of September 30, 2001, land, structures and equipment consisted of the following:

	Balance October 1, 2000	Additions	Transfers	Balance September 30, 2001
Land and land improvements	\$ 13,028	\$ -0-	\$ -0-	\$ 13,028
Buildings and building improvements	5,135,251	185,390	-0-	5,320,641
Equipment	185,503	33,823	-0-	219,326
Constructions in progress	512,183	135,488	(208,347)	439,324
	<u>\$5,846,004</u>	<u>\$314,699</u>	<u>\$ (208,347)</u>	<u>\$6,952,356</u>
Less accumulated depreciation				<u>(7,086,129)</u>
Total				<u>\$ 1,866,227</u>

**HOUSING AUTHORITY OF ST. CHARLES PARISH
BOULTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

NOTE 4 - Investment:

At September 30, 2001, investment consisted of a certificate of deposit with interest and maturity as follows:

Description	Amount	Rate (%)	Maturity
Certificate of Deposit	<u>\$46,775</u>	5.01	12-15-03

NOTE 5 - Amounts and Other Payable:

At September 30, 2001, amounts and other payable consisted of the following:

Vendor payable	\$ 8,787
Accrued payroll taxes payable	1,857
HLTB	91,480
Other	<u>5,899</u>
Total	<u>\$107,823</u>

**HOUSING AUTHORITY OF ST. CHARLES PARISH
BOULDER, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

NOTE 6 - Contributed Capital:

At September 30, 2001, contributed capital consisted primarily of reclassification of HUD-guaranteed debt previously recorded on the books of HAASCP, payable by HUD and secured by annual contributions. The debt does not constitute an obligation of HAASCP and accordingly has not been reported in the accompanying financial statements. Contributed capital also includes the net of accumulated expenses, grants, and subsidies of HAASCP. An analysis of contributed capital follows:

Balance October 1, 2000	Net Additions	Balance September 30, 2001
<u>\$1,893,818</u>	<u>\$-0-</u>	<u>\$1,903,918</u>

NOTE 7 - Amounts Receivable:

At September 30, 2001, amounts receivable consisted of the following:

Amounts receivable - HUD	\$989,511
Amounts receivable - tenants	8,851
Amounts receivable - other	<u>389</u>
Sub-total	1,008,851
Less: allowance for doubtful accounts	<u>(14,907)</u>
Total	<u>\$1,044,924</u>

**HOUSING AUTHORITY OF ST. CHARLES PARISH
BOULTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

NOTE 8 - Retirement System:

Plan Description

HASCP participates in a single employer defined contribution plan. The Housing Authority of St. Charles Parish Retirement Plan (the Plan) is authorized and may be amended by the Board of Commissioners.

Plan Funding

Funding for the system is through a contribution of 7% and 3% by HASCP and its employees, respectively. The contribution amount is based on the employee's base salary each month.

HASCP's gross payroll for participating employees for the year ended September 30, 2001 was \$150,025. HASCP and employee contributions made using base salary amounted to \$3,374 and \$3,838, respectively.

NOTE 9 - Risk Management:

HASCP is exposed to various risks of loss related to theft, theft, damage to and destruction of assets for which HASCP carries commercial insurance. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated.

NOTE 10 - Concentration of Credit Risk:

HASCP receives primarily all of its revenues from dwelling rental and the Department of Housing and Urban Development (HUD). If the amount of revenues received from both dwelling rental and HUD, falls below contract levels, HASCP's operating results could be adversely affected.

**HOUSING AUTHORITY OF ST. CHARLES PARISH
BOULTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

NOTE 11 - Contingencies:

HASCP is subject to possible examinations by regulatory agencies who determine compliance with laws and regulations governing grants provided to HASCP. These examinations may result in required refunds by HASCP to the agencies and/or program beneficiaries.

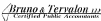
NOTE 12 - Consultants:

At September 30, 2001 HASCP has executed agreements with HUD totaling \$234,730 for various modernization projects in progress. Balance of funds remaining at September 30, 2001 was \$285,750.

NOTE 13 - Adjustment to Retained Deficit:

The adjustment to beginning retained earnings in the amount of \$4,669 is to reflect the effect of prior year overcharges to compensated absences.

SUPPLEMENTARY INFORMATION



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**INDEPENDENT AUDITORS' REPORT
ON
SUPPLEMENTARY INFORMATION**

To the Board of Commissioners
Housing Authority of St. Charles Parish
Houma, Louisiana

Our report on our audit of the financial statements of the Housing Authority of St. Charles Parish (HASCPS) appears on page 1. That audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole.

The accompanying Schedule of Expenditures of Federal Awards (Schedule I) is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audit of States, Local Governments, and Non-Profit Organizations* and is not a required part of the financial statements. The information in the Schedule of Expenditures of Federal Awards has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

The supplementary information (Schedules II, III, IV, V, and VI) which are prepared in accordance with accounting principles generally accepted in the United States of America, and is not a required part of the financial statements has been subjected to auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

INDEPENDENT AUDITORS' REPORT
(ON)
SUPPLEMENTARY INFORMATION
(CONTINUED)

Also, the supplementary information (Exhibits I and II), which are prepared in accordance with accounting principles generally accepted in the United States of America, has been subjected to the procedures applied in the audit of the financial statements and in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.



BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS

March 18, 2003

HOVENSO AUTHORITY OF ST. CHARLES PARISH
BOULTE LOUISIANA
COMBINED BALANCE SHEET-ENTERPRISE FUND
SEPTEMBER 30, 2011

	JHA Funded Repayments	Section 5 Rural Certificate Program	Housing Choice Voucher Program	Totals (Minimums Only)
ASSETS				
Cash and temporary cash investments	\$ 63,170	\$ -	\$ 34,152	\$ 97,322
Accounts receivable, net	13,447	1,646	95,017	114,004
Prepaid expenses	26,760	-	-	26,760
Investments	46,715	-	-	46,715
Inventory	3,861	-	-	3,861
Due from other funds	48,749	29,176	-	77,925
Land, structures and equipment, net	1,679,212	-	-	1,679,212
Total assets	2,480,414	30,824	117,169	2,638,407
LIABILITIES AND EQUITY				
Liabilities				
Accounts and other payable	\$ 48,108	\$48,104	\$ 5,000	\$ 103,212
Compensated absences payable	11,629	-	3,871	15,499
Security deposits held for tenants	16,487	-	-	16,487
Due to other funds	5,000	-	29,013	34,013
Total liabilities	81,224	58,104	37,884	177,212

See Independent Auditors' Report on Supplementary Information.

HOUSING AUTHORITY OF ST. CHARLES PARISH
BOATTE, LOUISIANA
COMBINING BALANCE SHEET—INTERFUND FUND, CONTINUED
SEPTEMBER 30, 2011

	FHA Owned Resources	Series 4 Bond Certificate Payable	Housing Choice Voucher Payable	Total (Disbursement Only)
Equity:				
Contributed capital	\$1,900,000	\$	\$	\$1,900,000
Retained deficit:				
Unrecovered retained deficit	(112,000)	(12,120)	(20,880)	(144,000)
Total equity	1,788,000	(12,120)	(20,880)	1,755,000
Total liabilities and equity	\$1,800,000	\$41,880	\$22,000	\$1,863,880

See Independent Auditors' Report on Supplementary Information.

HOUSING AUTHORITY OF ST. CHARLES PARISH
BOULE LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
RETAINED DEFICIT—SYSTEMS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2001

	PHA-Owned Expenses	Section 8 Rental Certificate Holders	Housing Choice Voucher Program	Totals (Minimums Only)
Operating Revenues:				
Dwelling rental	\$ 179,251	\$ -	\$ -	\$ 179,251
Fees and charges	<u>8,728</u>	<u>-</u>	<u>-</u>	<u>8,728</u>
Total operating revenues	<u>187,979</u>	<u>-</u>	<u>-</u>	<u>187,979</u>
Operating Expenses:				
Salaries and employee benefits	151,341	1,488	68,827	321,656
Repairs and maintenance	11,876	77	-	12,000
Contractual services	21,344	424	16,611	38,379
Utilities	180,458	-	-	180,458
Garbage and trash removal	12,277	-	-	12,277
Depreciation	169,206	-	-	169,206
Insurance	46,176	268	1,421	47,865
Mortgage assistance payments	-	4,817	873,468	878,285
Conversion and travel	1,128	197	1,453	2,780
General	<u>22,428</u>	<u>568</u>	<u>11,682</u>	<u>34,678</u>
Total operating expenses	<u>527,161</u>	<u>8,218</u>	<u>895,988</u>	<u>1,431,367</u>
Operating loss	<u>(339,182)</u>	<u>(8,218)</u>	<u>(895,988)</u>	<u>(1,243,388)</u>

See Independent Auditors' Report on Supplementary Information.

HOUSING AUTHORITY OF ST. CHARLES PARISH
BOZELLE, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
RETAINED DEFICIT—ENTERPRISE FUND, CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	PHA Owned Expenses	Section 8 Rental Certificate Program	Housing Choice Voucher Program	Totals
Non-operating Revenues:				
Grants and subsidies	\$ 179,064	\$ 10,897	\$893,159	\$1,083,120
Interest income	13,434	8	298	14,540
Other	<u>2,423</u>	<u>—</u>	<u>—</u>	<u>2,423</u>
Total non-operating revenues	\$204,921	\$10,905	\$893,457	\$1,109,283
Sta. Income (loss)	(28,547)	783	34,023	5,759
Retained deficit, beginning of year	1184,115	(112,364)	(1,842)	(121,062)
Adjustments to retained deficit	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Retained deficit at year-end, beginning of year	1184,115	(112,364)	(1,842)	(121,062)
Retained deficit, end of year	\$1,156,568	\$ (8,209)	\$ 24,003	\$ 117,352

See Independent Auditors' Report on Supplementary Information

SCHEDULE I

**HOUSING AUTHORITY OF THE ST. CHARLES PARISH
ROUTE, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2001**

Federal Grants	CFDA Number	Grant Number	Federal Expenditures
Program funded by the U.S. Department of Housing and Urban Development (HUD):			
Subject to Annual Continuation Contracts			
Low Rent Public Housing	14.850a	FY9-1426	\$ 253,389
Public Housing Comprehensive Improvement Assistance Program			
Section 8 Rental Certificate Program	14.852	FY9-1426	116,315
Housing Choice Voucher Program	14.857*	FY9-2086	10,887
Public Housing Capital Fund Program	14.871*	FY9-2258	858,359
	14.872	FY9-1426	<u>28,392</u>
Total			\$1,248,411

*Oversees cluster program

NOTE: Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards includes all Federal grant activity of HANCT and is prepared on an accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-115, *Antifraud, Abuse of System, Good Government and Anti-Profit Organizations*.

See Independent Auditor's Report on Supplementary Information.

SCHEDULE
Page 1 of 1

BONING AUTHORITY OF ST. CHARLES PARISH
BOYDTE, LOTTERIA
FINANCIAL DATA SCHEDULE - COMBINED BALANCE SHEET, CONTINUED
SEPTEMBER 30, 2011

LINE ITEM NO.	ACCOUNT DESCRIPTION	LOW INCOME HOUSING PROGRAM	PUBLIC HOUSING CONDOMINIUM ASSISTANCE PROGRAM	PUBLIC HOUSING CAPITAL FUND PROGRAM	SECTION 8 RENTAL CERTIFICATE PROGRAM	SECTION 8 CHARTER SCHOOL PROGRAM	TOTAL REVENUES EXPENSES
111	Outstanding fund balance/initial ending	5,018,028	1,111,940	50,000	50,000	1,31,000	10,110,968
112	Total equity	1,249,112	76,384	25,000	11,000	25,000	1,386,506
400	Total liabilities and equity	5,461,000	1,188,324	75,000	61,000	156,000	7,942,324

See Independent Auditors' Report on Supplementary Information.

BOYDSCOTT ATTORNEY AT LAW, CHARLES RICHARD
BOYDSCOTT ATTORNEY AT LAW
FINANCIAL DATA SCHEDULE—COMBINED STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2001

LINE ITEM NO.	ACCOUNT DESCRIPTION	2001 ADJUSTED PUBLIC REVENUE	PUBLIC BOYDSCOTT COMPARATIVE ADJUSTMENTS PROGRAM	PUBLIC BOYDSCOTT CAPITAL FUND PROGRAM	SECTION 5 TOTAL OUTFUNDING PROGRAM	BOYDSCOTT PROJECT REVENUE PROGRAM	TOTAL ADJUSTED TOTAL
91	For total total revenue	111,001	1	1	1	1	111,001
92	Total revenue - other	111,001	—	—	—	—	111,001
93	Total total revenue	111,001	1	1	1	1	111,001
94	BOYDSCOTT operating grants	21,100	21,101	—	21,101	21,101	21,101
95	Capital grants	—	17,900	20,000	—	—	17,900
111	Investment income—unrestricted	11,100	—	—	—	—	11,100
112	Other revenue	1,101	—	—	—	—	1,101
99	Total revenue	21,101	11,101	20,000	21,101	21,101	21,101

See Independent Auditor's Report on Supplementary Information.

REVENUE AUTHORITY OF ST. CHARLES PARISH
POSTAL EXPENSES
FINANCIAL DATA SUMMARY--COMBINED STATEMENT OF REVENUES AND EXPENSES, CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2001

LINE ITEM NO.	ACCOUNT DESCRIPTION	LOW-MOIST PUBLIC REVENUE	PUBLIC REVENUE COMBINATION SUBSIDY PROGRAM	PUBLIC REVENUE CAPITAL FUND PROGRAM	SECTION 4 FUNDAL CERTIFICATE PROGRAM	REVENUE GRANT PROGRAM	TOTALS DIFFERENCE IN DOLLARS
811	Administrative salaries	\$ 59,221	\$ -	\$ -	\$ 1,475	\$ 114	\$ 16,071
812	Auditing fees	2,416	-	-	-	4,759	1,000
813	Outside management fees	1,847	-	-	80	1,000	6,710
814	Commodities (chemical)	1,072	-	-	-	1,000	4,000
815	Expenses (health-care services- administrative)	19,941	-	-	94	16,811	16,479
816	Office operating-administrative	793	-	-	80	414	1,240
817	Wages	16,004	-	-	-	-	1,000
818	Electricity	11,443	-	-	-	-	11,000
819	Gas	11,211	-	-	-	-	11,000
820	Other utilities expenses	6,000	-	-	-	-	6,000
841	Ordinary maintenance and operations- labor	2,000	-	-	-	-	1,000
	Page total	105,105	-	-	1,460	12,483	16,479

See Independent Auditor's Report for Supplementary Information.

**BOARD OF ATTORNEYS AT LAW, CHARLES F. BROWN
NORTH DAKOTA
FINANCIAL DATA SCHEDULE - CONDENSED STATEMENT OF REVENUE BY AND EXPENSES, CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

LINE ITEM NO.	ACCOUNT DESCRIPTION	LOW RISK PUBLIC BUSINESS	PUBLIC HOUSING COMPREHENSIVE REHABILITATION SUBSIDIES PROGRAM	PUBLIC HOUSING CAPITAL REPAIR PROGRAM	SECTION 8 RENTAL CERTIFICATE PROGRAM	HOUSING CHARGES TO OTHERS PROGRAM	TOTAL EXPENSES DEBIT
90	Charging maintenance and operations materials and other	\$ 11,475	\$ -	\$ -	\$ -	\$ -	\$ 11,475
91	Charging maintenance and operations contract costs	10,370	-	-	-	-	10,370
92	Employee health expenditures	31,937	-	-	-	-	31,937
93	Employee maintenance	46,175	-	-	268	1,411	47,854
94	Insurance premiums	23,298	-	-	1,362	33,333	58,000
95	Other general expenses	-	-	-	-	-	-
96	Total operating expenses	123,275	10,000	-	1,630	15,144	149,049
97	Total (benefit of) operating revenues over operating expenses	17,038	19,322	14,046	1,362	80,485	131,853

See Independent Auditors' Report on Supplemental Information.

FINANCIAL STATEMENT OF THE CHAIRMAN MARSH
HUTCHINSON & CO.
FINANCIAL DATA SCHEDULE—COMBINED STATEMENT OF REVENUES AND EXPENSES, CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 1991

LINE ITEM NO.	ACCOUNT DESCRIPTION	LOW COST PUBLIC REVENUE	PUBLIC-BUILDING COMPARATIVE MANAGEMENT ADJUSTMENTS PROGRAM	PUBLIC-BUILDING CAPITAL-THIRD PROGRAM	ELECTION- SPECIAL CONCURRENT PROGRAM	REVENUE CHARGE WORKING PROGRAM	TOTAL COMBINATION COLUMN
870	Other Expenses	3	4	4	4,487	90,049	94,486
875	Security activities expenses	—	—	—	—	—	—
876	Depository expenses	—	—	—	—	—	—
900	Total expenses	3	4	4	4,487	90,049	94,486
980	Other Financing Revenue/Net	14,111	4	4	4	4	14,116
990	Operating revenue in	—	—	—	—	—	—
992	Operating revenue in	—	—	—	—	—	—
1000	Revenue/Total/Net of revenue/for expenses	14,111	4	4	4	4	14,116
		14,111	4	4	4	4	14,116

See Independent Auditor's Report on Supplementary Information

HOUSING AUTHORITY OF THE ST. CHARLES PARISH
BOULTE, LOUISIANA

STATEMENT OF ACTUAL MODERNIZATION COST CERTIFICATE-COMPLETED

ANNUAL CONTRIBUTION CONTRACT F961459

From Inception Through the Year Ended September 30, 2001

	<u>LA-48FH490658</u>
Funds approved	\$ 277,961
Funds expended	(227,961)
Excess of funds approved	\$ <u>-0-</u>
Funds advanced:	
Grant funding	\$ 277,961
Total funds advanced	277,961
Funds expended	(227,961)
Excess (deficiency) of funds advanced	\$ <u>-0-</u>

NOTE: The distribution of costs by project as shown on the CHAF Budget/Program Report accompanying the Actual Modernization Cost Certificate submitted to HUD for approval is in agreement with HASCIP's records and all costs and liabilities associated with it has been paid.

See Independent Auditor's Report on Supplementary Information.

SCHEDULE V

**HOUSING AUTHORITY OF THE ST. CHARLES PARISH
ROUTE, LOUISIANA**

STATEMENT OF ACTUAL MODERNIZATION COST CERTIFICATE--COMPLETED

ANNUAL CONTRIBUTION CONTRACT PW-1458

From Inception Through the Year Ended September 30, 2001

LA-48759-90000

Funds approved	\$ 228,067
Funds expended	(228,067)
Excess of funds approved	\$ <u>0</u>
Funds advanced:	
Grant funding	\$ 228,067
Total funds advanced	228,067
Funds expended	(228,067)
Excess (deficiency) of funds advanced	\$ <u>0</u>

NOTE: The distribution of costs by project as shown on the CIAP Budget/Program Report accompanying the Actual Modernization Cost Certificate submitted to HUD for approval is in agreement with HASCP's records and all costs and liabilities associated with it has been paid.

See Independent Auditors' Report on Supplementary Information.

SCHEDULE VI**HOUSING AUTHORITY OF THE CITY OF ST. CHARLES PARISH
BOULTE, LOUISIANA****STATEMENT OF CAPITAL PROJECT COST-INCOMPLETE****ANNUAL CONTRIBUTION CONTRACT FW-1450****For the Year Ended September 30, 2001**

	LA-48FF9450169
Funds approved	\$234,734
Funds expended	(28,980)
Excess (deficiency) of funds approved	<u>\$205,754</u>
Funds advanced:	
Grant funding	\$ 20,946
Total funds advanced	20,946
Funds expended	(21,589)
Excess (deficiency) of funds advanced	<u>\$ (643)</u>

See Independent Auditors' Report on Supplementary Information.



Member
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Certified Public Accountants

Michael R. Sherry, CPA
Abbie J. Swanson, Jr., CPA
William J. Mark, Jr., CPA

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

To the Board of Commissioners
Housing Authority of St. Charles Parish
Houma, Louisiana

We have audited the financial statements of the Housing Authority of St. Charles Parish (HASCSP) as of and for the year ended September 30, 2001, and have issued our report thereon dated March 18, 2002. 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.

Compliance

As part of obtaining reasonable assurance about whether HASCSP'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 an instance of noncompliance that is required to be reported under *Government Auditing Standards*, which is described in the accompanying Summary Schedule of Findings and Questioned Costs as item 2001-01.

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

 (CONTINUED)

Internal Control Over Financial Reporting

In planning and performing our audit, we considered HASC'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 certain matters involving the internal control over financial reporting 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 financial reporting that, in our judgment, could adversely affect HASC's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying Summary Schedule of Findings and Questioned Costs as items 2001-02 and 2001-03.

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 none of the reportable conditions described above as items 2001-02 and 2001-03 to be material weaknesses.

We also noted other matters involving internal control over financial reporting, which we have reported to management of HASC in a separate letter dated March 18, 2002.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
AND ON INTERNAL CONTROL OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS
(CONTINUED)

This report is intended solely for the information and use of the Board of Commissioners, HAACP's management, the Legislative Auditor, State of Louisiana and the United States Department of Housing and Urban Development and is not intended to and should not be used by anyone other than these specified parties.



BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS

March 18, 2002

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR
PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Commissioners
Housing Authority of St. Charles Parish
Breaux, Louisiana

Compliance

We have audited the compliance of the Housing Authority of St. Charles Parish (HASCP) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Requirements* that are applicable to each of its major federal programs for the year ended September 30, 2001. HASCP's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Summary 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 HASCP's management. Our responsibility is to express an opinion on HASCP'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, and OMB Circular A-133, *Audit of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR
PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133
(CONTINUED)

perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements previously referred to that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about HASC's compliance with these 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 HASC's compliance with these requirements.

As described in items 2001-04 and 2001-05 in the accompanying Summary Schedule of Findings and Questioned Costs, HASC did not comply with requirements regarding Section 15 - Books of Accounts, Records and Government Access to all Annual Contributions Contract, and 24CFR, as applicable. Compliance with such requirements is necessary, in our opinion, for HASC to comply with requirements applicable to these programs.

In our opinion, except for the noncompliance described in the preceding paragraph, HASC 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 September 30, 2001.

Internal Control Over Compliance

The management of HASC 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 HASC's internal control over compliance with requirements that could have 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 A-133.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR
PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133
(CONTINUED)

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. 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 in relation to a major federal program 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 over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Board of Commissioners, HASCP's management, the Legislative Auditor, State of Louisiana, and the United States Department of Housing and Urban Development and is not intended to, and should not be used by anyone other than those specified parties.


BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS

March 18, 2003

**HOUSING AUTHORITY OF ST. CHARLES PARISH
BOULTE, LOUISIANA
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

Section I - Summary of Auditors' Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Reportable condition(s) identified that are not considered to be material weaknesses? Yes

Noncompliance material to financial statements noted? No

Federal Awards

Internal Control Over Major Programs:

- Material weakness(es) identified? No
- Reportable condition(s) identified that are not considered to be material weakness(es)? None reported

Type of auditor's report issued on compliance for major programs: Qualified

Any audit findings disclosed that are required to be reported in accordance with section 510(c) of Circular A-133? Yes

HOUSING AUTHORITY OF ST. CHARLES PARISH
BOUFTTE, LOUISIANA
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2001

Section I - Summary of Auditors' Results, Continued

Federal Awards, Continued

Identification of Major Programs:

<u>CHIA Number</u>	<u>Name of Federal Program or Cluster</u>
14.871*	Housing Choice Voucher Program
14.857*	Section 8 Rental Certificate Program
Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditor qualified as low-risk auditee?	No

*Denotes cluster program

**HOUSING AUTHORITY OF ST. CHARLES PARISH
BOÜTE, LOUISIANA
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2001**

Section III - Financial Statement Findings

Reference Number

2001-01

Federal Programs

Low Rent Public Housing (See Schedule of Expenditures of Federal Awards).

Criteria

Sections 6.13 and 6.14 of the State of Louisiana Civil Service Rules require that compensation received by employees should be authorized by or pursuant to the provisions of Article X of the Civil Service Rules, the Uniform Classification and Pay Plans, and the policies and procedures issued by the Director for the State of Louisiana Department of Civil Service. Furthermore, the Civil Service Rules previously referenced, require that all merit increases should be determined as of the date of eligibility and shall not exceed the maximum rate of pay established for the job or the highest rate for the position occupied.

Condition

Our review of the payroll records for a current employee of HASCP reflected a pay rate that was inconsistent with the State of Louisiana Department of Civil Service approved "Personnel Action Form" (SP-1). We noted that the referenced employee was given a merit increase as early as October 1, 2000 while the documents approved by the Executive Director reflected an effective date or eligibility date for the increase as May 15, 2001.

It is our understanding through discussion with management that the error was the result of the use of an incorrect rate by the employee preparing the worksheet for the payroll adjustment.

**HOUSING AUTHORITY OF ST. CHARLES PARISH
BOULTE, LOUISIANA
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2001**

Section II - Financial Statement Findings, Continued

Reference Number: Continued
2001-01

Questioned Costs

\$1,246.

Context

Total gross payroll for the year ended September 30, 2001 was \$156,870.

Effect

Inability to support merit increase in accordance with the State of Louisiana Department of Civil Service guidelines.

Cause

Ineffective monitoring of internal control processes over payroll transactions.

Recommendation

We recommend that management enhance its monitoring of internal control processes over payroll transactions to ensure that all employees are paid in accordance with Civil Service regulations. Also, such a system should ensure the use of the correct pay rate and/or the clerical accuracy in the calculation of pay amounts.

Management's Response

Due to a clerical error, employee payroll worksheet reflected a miscalculated amount. HASOP will re-submit to the Civil Service, a form reflecting the correct pay grade by no later than April 30, 2002.

**HOUSING AUTHORITY OF ST. CHARLES PARISH
BOULTE, LOUISIANA
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2001**

Section II - Financial Statement Findings, Continued

Reference Number:

2001-02

Federal Program:

Public Housing Comprehensive Improvement Assistance Program (CIAP) (See Schedule of Expenditures of Federal Awards).

Criteria:

Pursuant to Section 15 of the Consolidated Annual Contributions Contract:

"The HIA must maintain complete and accurate books of account for the projects of the HIA in such a manner as to permit the preparation of financial statements and reports in accordance with HUD requirements and to permit timely and effective audits".

Condition:

Our review of twenty-eight (28) disbursements revealed the following conditions:

- Timely requisitioning of (CIAP) funds as reimbursement for funds advanced and disbursed from the Public Housing Low Rent operating funds on behalf of CIAP program activities.
- Inability to substantiate via the provision of invoices and/or other supporting documents, Line of Credit Control System (LACCS) funds drawn down in the amount of \$3,958 and \$6,708, respectively; and
- Over-requisitioning of CIAP funds in the amount of \$1,156. HASCIP requested reimbursement in the amount of \$18,000 when supporting vendor invoice amounted to \$16,844.

**HOUSING AUTHORITY OF ST. CHARLES PARISH
BOULTE, LOUISIANA
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2001**

Section II - Financial Statement Findings, Continued

Reference Number, Continued

2001-03

Questioned Costs

NONE.

Effect

Noncompliance with the requirements of Section 15 of the Consolidated Annual Contributions Contract.

Cause

Lack of an effective system to ensure the timely reimbursement of other programs funds used and the matching of requisitions prepared to applicable supporting documents.

Recommendation

Management should evaluate its current cash disbursement processes with an aim toward eliminating the conditions previously described.

Management's Response

Management has initiated the necessary review of its current cash disbursement processes. The object will be to revise as necessary, its current cash disbursement processes and to ensure the propriety and accountability of all disbursed transactions to include the timely requisition of funds advanced from other programs. Anticipated completion date is June 30, 2002.

HOUSING AUTHORITY OF ST. CHARLES PARISH
BOULTE, LOUISIANA
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2001

Section II - Financial Statement Findings, Continued

Reference Number

2001-03

Federal Programs

Low Rent Public Housing (See Schedule of Expenditures of Federal Awards).

Criteria

Pursuant to Section 15 of the Consolidated Annual Contributions Contract:

"The HA must maintain complete and accurate books of account for the projects of the HA in such a manner as to permit the preparation of financial statements and reports in accordance with HUD requirements and to permit timely and effective audits".

Condition

Our review of the September 30, 2001 general ledger revealed a payable to HUD in the amount of approximately \$41,000. The amount appears to be outstanding for over a period of more than one (1) year. Through discussion with management and the fee accountant we were unable to ascertain the validity of the amount at September 30, 2001. Amount is immaterial to the financial statement taken as a whole.

Questioned Costs

NONE.

**HOUSING AUTHORITY OF ST. CHARLES PARISH
BOULTE, LOUISIANA
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2001**

Section II - Financial Statement Findings, Continued

Reference Number, Continued

2001-03

Context

Not applicable.

Effect

Noncompliance with Section 15 of the Consolidated Annual Contributions Contract.

Cause

Lack of review of work performed by the accountant for completeness.

Recommendation

We recommend that management undertake the necessary research to resolve the referenced condition.

Management's Response

Management concurs with the recommendation and anticipates resolution by no later than July 31, 2002.

**HOUSING AUTHORITY OF ST. CHARLES PARISH
BOUYE, LOUISIANA
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2000**

Section III - Federal Award Findings and Questioned Costs

Reference Number

2001-04

Federal Program

All programs (See Schedule of Expenditures of Federal Awards).

Criteria

Pursuant to Section 15 of the Consolidated Annual Contributions Contract:

"The H/A must maintain complete and accurate books of account for the projects of the H/A in such a manner as to permit the preparation of financial statements and reports in accordance with HUD requirements and to permit timely and effective audits".

Furthermore, in accordance with Section III of HASCP's procurement policy, all proposals based on a noncompetitive proposal shall be supported by a written justification and approved in writing by the Contracting Officer.

Condition

Our review of eleven (11) disbursements revealed two (2) instances where the required documentation to support the basis for the type of procurement process used and resulting conclusions were unavailable. In one instance, the contract for services based on discussion with management was for the provision of technical services on a "Sole Source" basis. In the other instance, there was no documentation to support the basis for continued use of a specific vendor upon expiration of the initially procured contract period.

HOUSING AUTHORITY OF ST. CHARLES PARISH
BOUFTTE, LOUISIANA
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2001

Section III - Federal Award Findings and Questioned Costs, Continued

Reference Number, Continued

2001-04

Questioned Costs

\$17,250.

Context

Not applicable.

Effect

Noncompliance with Section 15 of the Consolidated Annual Contributions Contract and Section III of HASCP's procurement policy.

Cause

Lack of an established system to ensure compliance with established procurement policy.

Recommendation

Management should institute the necessary procedures to facilitate the adequate planning, procurement, monitoring and evaluation of all goods and services subject to HASCP's procurement policy as well as Federal and State regulations, as applicable.

Management's Response

Management has initiated a review of its current procurement procedures. Completion and institution of new and/or revisions to existing procedures, as necessary, will be finalized by no later than July 31, 2002.

**HOUSING AUTHORITY OF ST. CHARLES PARISH
BOULLE, LOUISIANA
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2001**

Section III - Federal Award Findings and Questioned Costs, Continued

Reference Number

2001-05

Federal Programs

Housing Choice Vouchers Program (See Schedule of Expenditures of Federal Awards).

Criteria

Pursuant to the requirements of the Consolidated Annual Contributions Contract and 24CFR parts 812, 813, 887, 882 and 982, as applicable.

Comments

Our review of station (34) tenant files revealed the absence of independent third party verification of income in one (1) instance. It is our understanding through discussion with management, that the untimely return of requested income verification from third parties impacts the income verification process for HASCOP.

Questioned Costs

N/A

**HOUSING AUTHORITY OF ST. CHARLES PARISH
BOULTE, LOUISIANA
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2001**

Section III - Federal Award Findings and Questioned Costs, Continued

Reference Number: Continued
2001-05

Context:

Total housing assistance payments for the year ended September 30, 2001 under the Housing Choice Voucher Program was \$833,668.

Effect:

Noncompliance with the provisions and requirements of 24 CFR parts 812, 813, 880, 887 and 982, as applicable and the requirements of the Annual Contributions Contract.

Cause:

Lack of an effective tenant file documentation and follow-up process.

Recommendation:

We recommended that management evaluate its current file documentation and follow-up procedures to ensure compliance with its third party income verification process.

Management's Response:

Management will continue to monitor and ensure compliance with third party income verification. A third party verification will be processed by no later than April 30, 2002 for the cited tenant.

HOUSING AUTHORITY OF ST. CHARLES PARISH
BOULTE, LOUISIANA

SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2001

Section IV - Status of Prior Years' Findings and Questioned Costs

Reference Number:

2000-01

Condition*

The Public and Indian Low-Income Housing Program's actual expenses for the year ended September 30, 2000 reflected overruns over the approved budget in the total administrative expense category by \$25,748 and total routine expense category by \$3,684.

Current Status

For the year ended September 30, 2001, the Public and Indian Low-Income Housing Program had overruns in the administration, utilities and general expense categories for a grand total overrun of \$26,919 before the effect of audit adjustments. Management is currently re-evaluating with its fee accountant in an effort to establish a financial reporting system to ensure the timely and effective projection of potential budget overruns. Anticipated completion date is June 30, 2002.

*Repeated

**HOUSING AUTHORITY OF ST. CHARLES PARISH
BOULTE, LOUISIANA**
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2001

Section IV - Status of Prior Years' Findings and Questioned Costs, Continued

Reference Number

3469-02

Condition*

The general ledger and related subsidiary ledger for fixed assets prepared by HASCOP's fee accountant, does not include all inventory items for appliances owned by HASCOP. We noted the most recent correspondence dated February 22, 2001 from the Executive Director of HASCOP to the fee accountant for HASCOP requesting the reconciliation of the necessary "book to physical" adjustment in order to properly state fixed assets.

The total value of the inventory prior to the effect of accumulated depreciation is approximately \$40,000. It is our understanding based on discussion with the fee accountant that the necessary adjustment will be recorded in the current fiscal year.

Current Status

Management continues to work with its fee accountant to resolve the above condition. Anticipated completion date is July 31, 2002.

*Repeated

HOUSING AUTHORITY OF ST. CHARLES PARISH
BOULTE, LOUISIANA
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2001

Section IV - Status of Prior Years' Findings and Questioned Costs, Continued

Reference Number

2000-03

Condition

Our review of documents to include HUD Form 52663 (Requisition for Partial Payment of Annual Contributions) revealed an over-requisition of Section 8 program funds in the amount of approximately \$286,000 for the year ended September 30, 2000.

Current Status

Resolved

**IMMERSING AUTHORITY OF ST. CHARLES PARISH
BOULTE, LOUISIANA
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2001**

Section IV - Status of Prior Years' Findings and Questioned Costs, Continued

Reference Number

1998-01

Condition*

Inventory listing reflects only fifty (50) ranges and sixty-nine refrigerators (69) at September 30, 1998, compared to the total number of units owned by HASCP of one hundred and twenty-nine (129).

Current Status

Management continues to work with its fee accountant with an aim toward resolution of the referenced differences. Expected completion date is May 31, 2002.

*Repeated

HOUSING AUTHORITY OF ST. CHARLES PARISH
BOULTE, LOUISIANA
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2001

Section IV - Status of Prior Years' Findings and Questioned Costs, Continued

Reference Number

1999-02

Condition*

HASCP exceeded the budgeted expenses in the administration and routine expense categories.

Current Status

Management continues to work toward containment of all budget overruns. A re-evaluation of the variance reporting procedure, will be undertaken by management with an anticipated completion date of June 30, 2002.

*Repealed

**HOUSING AUTHORITY OF ST. CHARLES PARISH
BOULTE, LOUISIANA
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE YEAR ENDED SEPTEMBER 30, 2001**

Section IV - Status of Prior Years' Findings and Questioned Costs, Continued

Reference Number:

1999-03

Condition:

HASCP did not have supporting documents for its reports submitted to MASS.

Current Status:

Resolved.

**HOUSING AUTHORITY OF ST. CHARLES PARISH
BOITTE, LOUISIANA**

EXIT CONFERENCE:

SEPTEMBER 30, 2002

The financial statement and related reports were discussed at an exit conference held on March 28, 2002.

Those that participated in the conference as well as previous discussions are as follows:

**HOUSING AUTHORITY OF ST. CHARLES PARISH
BOITTE, LOUISIANA**

Mrs. Leola Jackson	-	Executive Director
Mrs. Charlene Peoples	-	Section 8 Program Manager

**BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS**

Mr. Paul E. Andoh, Sr., CPA	-	Senior Manager
Mrs. Latana Thomas	-	Senior Accountant
Mr. Victor Robinson	-	In-Charge Accountant



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Certified Public Accountants
Society of Louisiana
Certified Public Accountants

Michael B. Thoms, CPA
Austin J. Tervalon, Jr., CPA
Walter J. Marsh, Jr., CPA

To Ms. Leah Jackson
Executive Director
Housing Authority of St. Charles Parish

In planning and performing our audit of the financial statements of Housing Authority of St. Charles Parish (HASCAP) as of and for the year ended September 30, 2001 we considered HASCAP's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control.

As a part of our audit, we noted matters that are opportunities for strengthening internal controls and operating efficiency. This letter does not affect our report dated March 18, 2002, on HASCAP's internal control or its financial statements.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with you, and we will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. The following summarizes the suggestions regarding these matters.

Currently, HASCAP uses the services of a fee accountant in connection with the financial preparation and reporting aspects of its financial management system. Furthermore, it is our understanding based on discussions with management that those services include among others the preparation of HASCAP's monthly financial statements, account analysis and reconciliations as well as the preparation for filing of all State and Federal tax reports and selected reports to HASCAP's funding agency.

To Ms. Linda Jackson
Executive Director
Housing Authority of St. Charles Parish
Page 2

• **CANCELLATION OF INVOICES AND SUPPORTING DOCUMENTS**

Our review of eleven (11) disbursements revealed the absence of cancellation of invoices and supporting documents to reduce the risk of duplicate payment.

We recommend that payments for all purchases made and services received, should be made from original invoices and the invoices and supporting documents be routinely cancelled with the date vouchered for payment.

Management's Response

HASCP will initiate the practice of cancelling original invoices and supporting documents with the date vouchered for payment. Scheduled start date is May 1, 2002.

• **SHARED COST ALLOCATION**

Currently, HASCP does not have an established written policy to facilitate the allocation of shared cost between programs.

We recommend that management establish a written policy to ensure the timely and accurate allocation of shared cost.

Management's Response

Management will consider the development of a policy to address the allocation of shared cost. Anticipated completion date is June 30, 2002.

To Ms. Linda Jackson
Executive Director
Housing Authority of St. Charles Parish
Page 3

• **SEGREGATION OF DUTIES**

Considering the size of HASCP, the important elements of internal control and segregation of duties cannot always be achieved to insure adequate protection and safeguarding of HASCP's assets.

Nevertheless, management should continue to recognize the importance of internal control and segregation of duties.

Management's Response

Management of HASCP will continue to recognize the importance of internal control and actively participate in key activities.

• **OUTSTANDING CHECKS**

During our review of the September 30, 2000 bank account reconciliations, we noted several checks that were outstanding over 90 days.

We recommend that HASCP establish and implement procedures to provide that checks outstanding over 90 days be investigated for their non-presentation at the bank.

Management's Response

HASCP will establish an outstanding check policy and implement by no later than July 31, 2002.

• **DISASTER RECOVERY PLAN**

Currently, HASCP performs the necessary "back-up" of its accounting and program data and stores such data to include all of its records on site.

We recommend that management evaluate its current disaster recovery plan. The evaluation process should include, at a minimum, consideration for an off-site storage of its "back-up" computerized accounting data.

Management's Response:

The management of HASCP will evaluate the feasibility for off-site storage. Anticipated completion date is July 31, 2002.

• **MONTHLY FINANCIAL STATEMENTS**

Currently, HASCP receives from its fee accountant monthly financial statements on a combined basis for the balance sheet and individual statements of operation. Considering that the "REAC" reports submitted by the fee accountant has to be prepared on an individual program basis, and to facilitate HASCP's ability to review its completed financial statements from an individual program perspective, we recommend that the financial statement format be restructured to allow for the submission of individual balance sheets and statements of operation for each program managed by HASCP.

To Ms. Linda Jackson
Executive Director
Housing Authority of St. Charles Parish
Page 5

• MONTHLY FINANCIAL STATEMENTS, CONTINUED

In addition, we recommend that as part of the on-going financial reporting process the financial statements be reviewed for completeness to ensure the timely and adequate resolution of any and all accounting and other issues that may impact the reported financial statement amounts.

Management's Response

The management of HASCP will discuss with its fee accountant and evaluate the auditor's recommendations. Anticipated completion date is June 30, 2002.

We wish to thank you and your staff for the support afforded us during our audit.

This report is intended solely for the information and use of the Board of Commissioners, management, and the U. S. Department of Housing and Urban Development and is not intended to be and should not be used by anyone other than these specified parties.


BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS

March 28, 2002