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LOUISIANA BOARD OF HEARING AID DEALERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
MONROE, LOUISIANA

COMPONENT UNIT FINANCIAL STATEMENT
AND
INDEPENDENT AUDITOR'S REPORT

AS OF AND FOR THE YEARS ENDED JUNE 30, 2001 AND 2000

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date

9-12-01

LOUISIANA BOARD FOR HEARING AID DEALERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
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JUNE 30, 2001 AND 2000

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MARCUS, ROBINSON and HASSELL

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INDEPENDENT AUDITOR'S REPORT

Louisiana Board for Hearing Aid Dealers
Department of Health and Hospitals
State of Louisiana
Monroe, Louisiana

We have audited the accompanying component unit financial statements of the Louisiana Board for Hearing Aid Dealers a compound unit of the State of Louisiana, as of and for the years ended June 30, 2001 and 2000, as listed in the table of contents. These component unit financial statements are the responsibility of the Louisiana Board for Hearing Aid Dealer's, management. Our responsibility is to express an opinion on these component unit 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. Those 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 statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the component unit financial statements referred to above present fairly, in all material respects, the financial position of the Louisiana Board for Hearing Aid Dealers, as of June 30, 2001 and 2000, and the results of its operations for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated August 21, 2001, on our consideration of the Louisiana Board for Hearing Aid Dealer's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the component unit financial statements taken as a whole. The accompanying supplement data, Division of Administration Reporting Package is presented for purposes of additional analysis and is not a required part of the financial statements of the Board. Such information 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.

Marcus, Robinson & Hassell

Marcus, Robinson and Hassell
August 21, 2001

LOUISIANA BOARD FOR HEARING AID DEALERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
BALANCE SHEET-ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 2001 AND 2000

	<u>JUNE 30, 2001</u>		
	<u>GOVERNMENTAL FUND- GENERAL FUND</u>	<u>ACCOUNT GROUP- GENERAL FIXED ASSETS</u>	<u>TOTAL (MEMORANDUM ONLY)</u>
<u>ASSETS</u>			
Cash (Note 2)	36,301	0	36,301
Fixed Assets (Note 3)	<u>0</u>	<u>5,783</u>	<u>5,783</u>
<u>TOTAL ASSETS</u>	<u>36,301</u>	<u>5,783</u>	<u>42,804</u>
<u>LIABILITIES, EQUITY AND OTHER CREDITS</u>			
Liabilities - Accounts Payable	<u>761</u>	<u>0</u>	<u>761</u>
Equity and Other Credits:			
Investment in General Fixed Assets	0	5,783	5,783
Fund Balance - Unreserved - Undesignated	<u>35,540</u>	<u>0</u>	<u>35,540</u>
<u>TOTAL EQUITY AND OTHER CREDITS</u>	<u>35,540</u>	<u>5,783</u>	<u>41,323</u>
<u>TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS</u>	<u>36,301</u>	<u>5,783</u>	<u>42,084</u>

See Notes to Financial Statements

JUNE 30, 2000		
GOVERNMENTAL FUND - <u>GENERAL FUND</u>	ACCOUNT GROUP - GENERAL FIXED <u>ASSETS</u>	TOTAL (MEMORANDUM ONLY)
36,529	0	36,529
<u>0</u>	5,783	<u>5,783</u>
<u>36,529</u>	<u>5,783</u>	<u>42,312</u>
<u>758</u>	<u>0</u>	<u>758</u>
0	5,783	5,783
<u>35,771</u>	<u>0</u>	<u>35,771</u>
<u>35,771</u>	<u>5,783</u>	<u>41,554</u>
<u>36,529</u>	<u>5,783</u>	<u>42,312</u>

LOUISIANA BOARD FOR HEARING AID DEALERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
GOVERNMENTAL FUND - GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
<u>REVENUES</u>		
Licenses and Fees	14,385	14,430
Interest Earnings	<u>1,299</u>	<u>1,412</u>
 <u>TOTAL REVENUES</u>	 15,684	 15,842
 <u>EXPENDITURES</u>		
Public Safety - Other Protection - Examination of Licensed Occupations:		
Personal Services and Related Benefits	8,700	8,700
Other Services	4,150	4,143
Materials and Supplies	760	1,375
Travel	1,679	4,168
Legal Expenses and Accounting	<u>626</u>	<u>3,125</u>
 <u>TOTAL EXPENDITURES</u>	 <u>15,915</u>	 <u>21,511</u>
 <u>EXCESS OF EXPENDITURES OVER REVENUES</u>	 (231)	 (5,669)
 <u>FUND BALANCE AT BEGINNING OF YEAR</u>	 <u>35,771</u>	 <u>41,440</u>
 <u>FUND BALANCE AT END OF YEAR</u>	 <u>35,540</u>	 <u>35,771</u>

See Notes to Financial Statements

LOUISIANA BOARD FOR HEARING AID DEALERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
GOVERNMENTAL FUND - GENERAL FUND
STATE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BALANCE
BUDGET (CASH BASIS) AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2001 AND 2000

	2001		VARIANCE
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
<u>RECEIPTS</u>			
Full Licenses	14,500	10,700	(3,800)
Late Fees	400	100	(300)
Temporary Licenses	2,200	1,870	(330)
Full License Applications	1,000	275	(725)
Temporary Renewals	325	0	(325)
Examinations and Certificates	2,525	1,275	(1,250)
Miscellaneous	200	165	(35)
Interest Earnings	<u>0</u>	<u>1,299</u>	<u>1,299</u>
<u>TOTAL RECEIPTS</u>	<u>21,150</u>	<u>15,684</u>	<u>(5,466)</u>
<u>DISBURSEMENTS</u>			
Professional:			
Legal Expense	1,000	626	374
Accounting	0	0	0
Equipment/Acquisitions	0	0	0
Supplies:			
Office Supplies	300	46	254
Operating Supplies:			
Examinations	1,900	760	1,140
Certificates	100	0	100
Operating Expenses:			
Rent	1,800	1,800	0
Printing	425	287	138
Postage	375	504	(129)
Telephone	600	573	27
Insurance	625	611	14
Equipment Rental	0	0	0
Board Meetings	1,500	722	778
Contract - Administrative Secretary	8,700	8,700	0
Miscellaneous	825	236	589
Copier Maintenance	0	90	(90)
Travel:			
Board Meeting	2,000	957	1,043
IHS	<u>1,000</u>	<u>0</u>	<u>1,000</u>
<u>TOTAL EXPENDITURES</u>	<u>21,150</u>	<u>15,912</u>	<u>5,238</u>
<u>EXCESS OF DISBURSEMENTS OVER RECEIPTS</u>	<u>0</u>	<u>(228)</u>	<u>(228)</u>
<u>CASH BALANCE AT BEGINNING OF YEAR</u>		<u>36,529</u>	
<u>CASH BALANCE AT END OF YEAR</u>		<u>36,301</u>	

See Notes to Financial Statements

2000		
<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE (UNFAVORABLE)
15,500	11,100	(4,400)
400	200	(200)
2,200	770	(1,430)
1,000	500	(500)
325	75	(250)
2,025	1,785	(240)
200	0	(200)
<u>0</u>	<u>1,412</u>	<u>1,412</u>
<u>21,650</u>	<u>15,842</u>	<u>(5,808)</u>
1,000	625	375
2,500	2,500	0
0	0	0
275	118	157
800	1,330	(530)
75	45	30
1,800	1,800	0
275	326	(51)
359	515	(156)
600	529	71
611	611	0
0	178	(178)
905	1,010	(105)
8,700	8,700	0
750	0	750
0	112	(112)
2,000	2,158	(158)
<u>1,000</u>	<u>1,000</u>	<u>0</u>
<u>21,650</u>	<u>21,557</u>	<u>93</u>
<u>0</u>	(5,715)	<u>(5,715)</u>
	<u>42,244</u>	
	<u>36,529</u>	

LOUISIANA BOARD FOR HEARING AID DEALERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEARS ENDED JUNE 30, 2001 AND 2000

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

INTRODUCTION

The Louisiana Board for Hearing Aid Dealers is a component unit of the State of Louisiana created within the Louisiana Department of Health and Hospitals, as provided by Louisiana Revised Statutes 37:2441-2465. The Board is composed of nine members who are appointed by the governor, seven of whom serve four-year terms and two who serve at the pleasure of the governor. The board members serve without compensation. Board members are selected from a list of names submitted by the Louisiana Society of Hearing Aid Specialists. The Board administers examinations and issues, renews, suspends, or revokes licenses of persons engaged in the selling and fitting of hearing aids in the State of Louisiana. Operations of the Board are funded entirely through self-generated revenues. As of June 30, 2001 and 2000, there were 113 and 114 licensed hearing aid dealers in the state, respectively.

A. BASIS OF PRESENTATION

In April 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local government. The accompanying financial statements have been prepared in accordance with such principles.

B. REPORTING ENTITY

GASB Codification Section 2100 has defined the governmental reporting entity to be the State of Louisiana. The Board is considered a component unit of the State of Louisiana because the state exercises oversight responsibility in that the governor appoints the board members and public service is rendered within the state's boundaries. The accompanying statements present information only as to the transactions of the programs of the Louisiana State Board for Hearing Aid Dealers, a component unit of the State of Louisiana. Annually, the State of Louisiana issues general-purpose financial statements, which include the activity contained in the accompanying financial statements. The general-purpose financial statements are audited by the Louisiana Legislative Auditor.

C. FUND ACCOUNTING

The Board uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain governmental functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

LOUISIANA BOARD FOR HEARING AID DEALERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEARS ENDED JUNE 30, 2001 AND 2000

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

C. FUND ACCOUNTING - CONTINUED

The General Fund of the Board is classified as a governmental fund and is the general operating fund of the Board and accounts for all financial resources. Revenues are accounted for in this fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled. General operating expenditures are paid from this fund.

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The General Fund is accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The operating statement of this fund presents increases and decreases in net current assets. The modified accrual basis of accounting is used by the General Fund.

The General Fund uses the following practices in recording revenues and expenditures:

Revenues

Examination and license fees are recorded in the year they are received, which approximate when measurable and available. Licenses must be renewed by January 1 and are considered delinquent after 30 days. All other revenues are recorded when received.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

E. BUDGET PRACTICES

The Board adopts an annual budget that is submitted to the Louisiana Department of Health and Hospitals in compliance with Louisiana Revised Statute 36:803. The budgets were prepared and reported based on cash estimates. The Board did budget its beginning cash balance. Formal budget integration is employed as a management control device during the year. Budgeted amounts included in the accompanying financial statements represent the financial amended budget.

The expenditures shown on page 4 are reconciled with amounts reflected on the budget as follows:

	<u>2001</u>	<u>2000</u>
Page 4 Expenditures	15,915	21,511
Add: Prior Year Payables	758	804
Less: Current Year Payables	<u>(761)</u>	<u>(758)</u>
Page 5-6 Disbursements	<u>15,912</u>	<u>21,557</u>

LOUISIANA BOARD FOR HEARING AID DEALERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEARS ENDED JUNE 30, 2001 AND 2000

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

F. CASH

Cash consists of amounts in interest-bearing demand deposits. Under state law, the Board may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. Furthermore, the Board may invest in time certificates of deposit of state banks organized under the laws of the State of Louisiana, national banks having their principal offices in Louisiana, in savings accounts or shares of savings and loan associations and savings banks, and in share accounts and share certificate accounts of federally or state chartered credit unions.

G. FIXED ASSETS AND GENERAL LONG-TERM OBLIGATIONS

Fixed assets are accounted for in the general fixed assets account group, rather than in the General Fund. Depreciation has not been provided on general fixed assets. All fixed assets are valued at historical cost. The account group is not a fund. It is concerned only with the measurement of financial position, not with measurement of results of operations. The Board has no general long-term obligations.

H. COMPENSATED ABSENCES, POSTRETIREMENT BENEFITS, AND PENSION PLAN

The Board has no employees; therefore, the Board has not established leave policies, does not pay postretirement benefits, and does not contribute to a pension plan.

I. TOTAL COLUMN ON BALANCE SHEET

The total column on the balance sheet is captioned Memorandum Only (overview) to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position. Neither is such data comparable to a consolidation.

NOTE 2 - CASH

At June 30, 2001 and 2000, the Board has cash (book balances) totaling \$36,301 and \$36,529 in demand deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on the deposit with the fiscal agent. At June 30, 2001 and 2000, the Board has \$36,301 and \$36,848 in deposits (collected bank balances), which are fully secured from risk by federal deposit insurance.

LOUISIANA BOARD FOR HEARING AID DEALERS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEARS ENDED JUNE 30, 2001 AND 2000

NOTE 3 - CHANGES IN GENERAL FIXED ASSETS

The changes in general fixed assets for the years ended June 30, 2001 and 2000.

	<u>OFFICE FURNITURE & EQUIPMENT</u>
Beginning Balance July 1, 1999	5,783
Additions	0
Deletions	<u>0</u>
Balance June 30, 2000	5,783
Additions	0
Deletions	<u>0</u>
Balance June 30, 2001	<u>5,783</u>

NOTE 4 - LEASE OBLIGATIONS/RELATED PARTY TRANSACTIONS

The Board is leasing office space at \$150 per month from a local hearing aid dealer. The current lease will expire 4-30-06.

NOTE 5 - LITIGATION AND CLAIMS

There is no litigation pending against the Board at June 30, 2001 and 2000.

NOTE 6 - OFFICE ADMINISTRATION

The administrative and accounting functions of the Board are performed by contract.

NOTE 7 - BOARD MEMBER COMPENSATION

There were no per diem payments or compensation paid to members of the Board for the years ending June 30, 2001 and June 30, 2000.

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

Louisiana Board for Hearing Aid Dealers
Department of Health and Hospitals
State of Louisiana
Monroe, Louisiana

We have audited the component unit financial statements of the Louisiana Board for Hearing Aid Dealers, as of and for the years ended June 30, 2001 and 2000, and have issued our report thereon dated August 21, 2001. 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 the Louisiana Board for Hearing Aid Dealer'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 statements 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 one instance of noncompliance that is required to be reported under Government Auditing Standards, which is described in the accompanying schedule of findings and questioned cost as item 01-00-1.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Louisiana Board for Hearing Aid Dealer'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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting 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 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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

Marcus, Robinson & Hassell

Marcus, Robinson and Hassell
August 21, 2001

LOUISIANA BOARD OF HEARING AID DEALERS
MONROE, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEARS ENDED JUNE 30, 2001 AND 2000

PART I - Summary of the Auditor's Results

Financial Statement Audit

- i. The type of audit report issued was unqualified.
- ii. There were no reportable conditions required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States.
- iii. There was one instance of noncompliance considered material, as defined by the Government Auditing Standards, to the financial statements.

Findings Reference # and Title:

Excess Cash

Condition:

The fees charged in the current years do not appear excessive in relation to the cost of services rendered. However, the Board has accumulated undesignated cash balances in excess of the current year expenditures for the years ended June 30, 2001 and 2000.

Management Response

The Board feels it is necessary to have this surplus due to decreasing revenues and/or in the event of litigation which could occur at any time.

Audit of Federal Awards

During the years ended June 30, 2001 and 2000, there were no federal financial assistance received by the Louisiana Board of Hearing Aid Dealers.

PART II - Finding(s) relating to the financial statements which are required to be reported in accordance with Generally Accepted Government Auditing Standards:

NONE



State of Louisiana

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August 13, 2001

Office of Statewide Reporting & Accounting Policy
PO Box 94095
Baton Rouge, LA 70804-9095

Dear Sirs:

Please find enclosed the Annual Fiscal Report for the Louisiana Board for Hearing Aid Dealers year ending June 30, 2001.

Sincerely,

A handwritten signature in cursive script that reads "Resa Brady".

Resa Brady
Administrative Secretary

Enclosure



State of Louisiana

The Louisiana State Board for Hearing Aid Dealers

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Monroe, Louisiana 71211-6016

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August 13, 2001

Legislative Auditor
PO Box 94397
Baton Rouge, LA 70804-9397

Dear Sirs:

Please find enclosed the Annual Fiscal Report for the Louisiana Board for Hearing Aid Dealers year ending June 30, 2001.

Sincerely,

Resa Brady

Resa Brady
Administrative Secretary

Enclosure

STATE OF LOUISIANA
Annual Financial Statement
Fiscal Year Ending June 30, 2001

Hearing Aid Dealers
(Agency Name)

Division of Administration
Office of Statewide Reporting and
Accounting Policy
P. O. Box 94095
Baton Rouge, Louisiana 70804-9095

Legislative Auditor
P. O. Box 94397
Baton Rouge, Louisiana
70804-9397

AFFIDAVIT

Personally came and appeared before the undersigned authority, Resa F. Brady (Name)
Administrative Secretary (Title) of Hearing Aid Dealers (Agency) who duly
sworn, deposes and says that the financial statement herewith given presents fairly the financial
position of Hearing Aid Dealers (Agency) at June 30, 2001 and the results
of operations for the year then ended in accordance with policies and practices established by
the Division of Administration or in accordance with Generally Accepted Account Principles as
prescribed by the Governmental Accounting Standards Board. Sworn and subscribed before
me, this 13th day of August, 2001.

Resa F. Brady
Signature of Agency Official

Julie C. Thomas
Notary Public

Prepared by: Resa F. Brady
Title: Administrative Secretary
Telephone No.: (318)362-3014
Date: 8-13-01

STATE OF LOUISIANA
Annual Financial Statement
Fiscal Year Ending June 30, 2001

Hearing Aid Dealers
(Agency Name)

Division of Administration
Office of Statewide Reporting and
Accounting Policy
P. O. Box 94095
Baton Rouge, Louisiana 70804-9095

Legislative Auditor
P. O. Box 94397
Baton Rouge, Louisiana
70804-9397

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Administrative Secretary (Title) of Hearing Aid Dealers (Agency) who duly
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position of Hearing Aid Dealers (Agency) at June 30, 2001 and the results
of operations for the year then ended in accordance with policies and practices established by
the Division of Administration or in accordance with Generally Accepted Account Principles as
prescribed by the Governmental Accounting Standards Board. Sworn and subscribed before
me, this 13th day of August, 2001.

Resa F. Brady
Signature of Agency Official

Julie C. Thomas
Notary Public

Prepared by: Resa F. Brady
Title: Administrative Secretary
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Date: 8-13-01

STATE OF LOUISIANA

Hearing Aid Dealers Board/Commission
Annual Financial Statement
For the Year Ended June 30, 2001
(fiscal close)

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STATE OF LOUISIANA
Hearing Aid Dealers BOARD/COMMISSION
DEPARTMENT OF DHH
BALANCE SHEET - ALL FUNDS AND ACCOUNT GROUPS
AS OF June 30, 2001

	Governmental Fund Types		Account Groups		Total (Memorandum Only)
	General Fund	Special Revenue Funds	General Fixed Assets	General Long-Term Obligations	
ASSETS AND OTHER DEBITS					
Cash and cash equivalents	\$ <u>36,097</u>	\$ _____	\$ _____	\$ _____	\$ _____
Investments	_____	_____	_____	_____	_____
Receivables	_____	_____	_____	_____	_____
Due from other funds	_____	_____	_____	_____	_____
Other assets	_____	_____	_____	_____	_____
Fixed assets	_____	_____	_____	_____	_____
Amount to be provided for retirement of general long-term obligations	_____	_____	_____	_____	_____
TOTAL ASSETS AND OTHER DEBITS	\$ <u>36,097</u>	\$ _____	\$ _____	\$ _____	\$ _____
LIABILITIES, FUND EQUITY, AND OTHER CREDITS					
LIABILITIES:					
Accounts payable	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Compensated absences payable	_____	_____	_____	_____	_____
Due to other funds	_____	_____	_____	_____	_____
Long-term obligations payable	_____	_____	_____	_____	_____
Other liabilities	_____	_____	_____	_____	_____
Total liabilities	_____	_____	_____	_____	_____
EQUITY AND OTHER CREDITS:					
Investment in general fixed assets	_____	_____	_____	_____	_____
Fund balance -- reserved	_____	_____	_____	_____	_____
-- unreserved, undesignated	_____	_____	_____	_____	_____
-- unreserved, designated	_____	_____	_____	_____	_____
Total equity and other credits	<u>36,097</u>	_____	_____	_____	_____
TOTAL LIABILITIES, FUND EQUITY, AND OTHER CREDITS	\$ <u>36,097</u>	\$ _____	\$ _____	\$ _____	\$ _____

The accompanying notes are an integral part of this statement.

Statement A

STATE OF LOUISIANA

Hearing Aid Dealers BOARD/COMMISSION

DEPARTMENT OF DHH

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUND TYPES

FOR THE YEAR ENDED June 30, 2001

	General Fund	Special Revenue Fund(s)	Total (Memorandum Only)
REVENUES:			
Use of money and property	\$ _____	\$ _____	\$ _____
Licenses, permits, and fees	<u>14,495</u>	_____	_____
Sales of commodities and services	_____	_____	_____
Other	<u>1,299</u>	_____	_____
Total revenues	<u>15,794</u>	_____	_____
EXPENDITURES:			
Intergovernmental	<u>15,397</u>	_____	_____
Other	<u>830</u>	_____	_____
Total expenditures	<u>16,227</u>	_____	_____
Excess(Deficiency) of Revenues over Expenditures	_____	_____	_____
OTHER FINANCING SOURCES(USES):			
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total other financing sources(uses)	_____	_____	_____
Excess(deficiency) of revenues and other sources over expenditures and other uses	<u>(433)</u>	_____	_____
Fund balance(deficit) at beginning of year (as restated)	<u>36,530</u>	_____	_____
Fund balance(deficit) at end of year	\$ <u>36,097</u>	\$ _____	\$ _____

The accompanying notes are an integral part of this statement.

Statement B

STATE OF LOUISIANA
Hearing Aid Dealers BOARD/COMMISSION
DEPARTMENT OF DHH
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (GAAP/NON-GAAP BASIS) AND ACTUAL
GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED June 30, 2001

	GENERAL FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
* License & Fees	\$ 21,150	\$ 14,495	\$ 6,655
* Interest (C.D.)		1,299	(1,299)
Total revenues	21,150	15,794	5,356
EXPENDITURES:			
* Personal Services	8,700	8,700	- 0 -
* Operating Services	6,150	4,934	1,216
* Material & Services	2,300	806	1,494
* Travel	3,000	957	2,043
* Legal & Acctg.	1,000	627	373
Other		203	(203)
Total expenditures	21,150	16,227	4,923
Excess(Deficiency) of Revenues over Expenditures		(433)	
OTHER FINANCING SOURCES(USES):			
Total other financing sources(uses)			
Excess(deficiency) of revenues and other sources over expenditures and other uses		(433)	
Fund balance(deficit) at beginning of year		36,530	
Adjustment			
Fund balance(deficit) at end of year	\$	\$ 36,097	\$

* Categorize revenues and expenditures according to board's/commission's chart of accounts.

The accompanying notes are an integral part of this statement.

Statement C

STATE OF LOUISIANA
Hearing Aid Dealers BOARD/COMMISSION
DEPARTMENT OF DHH
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (GAAP/NON-GAAP BASIS) AND ACTUAL
GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED June 30, 2001

N/A

	SPECIAL REVENUE FUND(S)		
	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES:			
*	\$	\$	\$
*			
*			
*			
*			
Total revenues			
EXPENDITURES:			
*			
*			
*			
*			
*			
Total expenditures			
Excess(Deficiency) of Revenues over Expenditures			
OTHER FINANCING SOURCES(USES):			
Total other financing sources(uses)			
Excess(deficiency) of revenues and other sources over expenditures and other uses			
Fund balance(deficit) at beginning of year Adjustment			
Fund balance(deficit) at end of year	\$	\$	\$

* Categorize revenues and expenditures according to board's/commission's chart of accounts.

The accompanying notes are an integral part of this statement.

Statement C

STATE OF LOUISIANA

Hearing Aid Dealers BOARD/COMMISSION

DEPARTMENT OF DHH

Notes to the Financial Statement

As of and for the year ended June 30, 2001

INTRODUCTION

The Hearing Aid Dealers Board/Commission is a component unit of the State of Louisiana created within the Louisiana Department of DHH, as provided by Louisiana Revised Statutes 37:2441-2465. The board/commission is composed of 9 members, appointed by the Governor, who serve terms of 7/4 years ~~2 @ Gov. pleasure~~. The board/commission is charged with the responsibility of provide for examination and licensing of persons who test hearing while engaged in the selling & fitting of hearing aids; regulation of selling & fitting to public. Provide for penalties. Operations of the board/commission are funded with application & testing fees, renewal fees.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Presentation

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

2. Reporting Entity

GASB Codification Section 2100 establishes criteria for determining the governmental reporting entity and has defined the governmental reporting entity for the board/commission to be the State of Louisiana because the state exercises oversight responsibility in that the governor appoints the commission members and public service is rendered within the state's boundaries. The accompanying financial statements present transactions of the Hearing Aid Dealers Board/Commission and therefore, are a part of the fund and account group structure of the State of Louisiana. Annually the State of Louisiana issues general-purpose financial statements, which are audited by the Louisiana Legislative Auditor.

3. Fund Accounting

The board/commission uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the fund because they do not directly affect net expendable financial resources. The funds presented in the financial statement are described as follows:

STATE OF LOUISIANA

Hearing Aid Dealers

BOARD/COMMISSION

DEPARTMENT OF DHH

Notes to the Financial Statement

As of and for the year ended June 30, 2001

General Fund

The General Fund is classified as a governmental fund. The General Fund is the general operating fund of the board/commission and accounts for all financial resources. Revenues are accounted for in this fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled. General operating expenditures are paid from this fund.

Special Revenue Fund(s)

Special Revenue Fund(s) are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Account Groups

The two account groups are not "funds". They are concerned only with the measurement of financial position, not with measurement of results of operations. Account groups are used to establish accounting control and accountability for general fixed assets and general long-term debt.

a. General Fixed Asset Account Group – Fixed assets used in the governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in the governmental fund.

b. General Long Term Debt Account Group – obligations such as compensated absences payable expected to be financed from governmental funds are accounted for in the general long-term debt account group not in the governmental funds.

4. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized and reported in the financial statement. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The board's/commission's records are maintained on the cash basis of accounting using the following practices:

Revenues

(This space should be used to describe when various revenues are reported.)

Revenues are reported annually.

Expenditures

(This space should be used to describe how expenditures are generally recognized.)

Budget based on previous year experience and projected purchases.
Reported annually.

Other Financing Sources (Uses)

(This space should be used to describe the composition of Other Financing Sources (Uses). Examples of Other Financing Sources include amounts equal to the present value of minimum lease payments arising from capital leases, proceeds from the sale of general assets, and operating transfers in. Examples of Other Financing Uses include deposits with escrow agents and operating transfers out.)

NONE

STATE OF LOUISIANA

Hearing Aid Dealers BOARD/COMMISSION

DEPARTMENT OF DHH

Notes to the Financial Statement

As of and for the year ended June 30, 2001

5. Encumbrances N/A

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund and Special Revenue Funds. Encumbrances outstanding at year-end are reported as reservations of fund balances since they do not constitute expenditures or liabilities.

6. Total Columns on Combined Statements

Total columns on the combined statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

B. BUDGET PRACTICES

The Hearing Aid Dealers board/commission utilizes the following budgetary practices:

Annually the board/commission adopts a budget that is submitted to the DHH Department as prescribed by LRS 39:1331-1342. The budget for fiscal year ended 6/30/01 (last day of your fiscal year) was adopted on 1/20/00, and is prepared and reported on a cash accrual basis of accounting. Although budget amounts lapse at year-end, the board/commission retains its unexpended fund balance to fund expenditures of the succeeding year. The budget amounts on Statement C reflect the amended adopted budgets for the fiscal year ended 6/30/01 (last day of your fiscal year). There was/were 0 amendment(s) made to the budget.

(There should be a reconciliation of any non-GAAP budget amounts on Statement C to the amounts on Statement B, using the excess of revenues and other sources over expenditures and other uses figures as the basis of the reconciliation.)

The following individual funds had actual expenditures over adopted budgeted expenditures for the year-ended _____ (last day of your fiscal year): N/A

<u>Fund</u>	<u>Fund Type</u>	<u>Ending Fund Balance (Deficit)</u>
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (If all agency cash and investments are deposited in the State Treasury, disregard Note C.)

STATE OF LOUISIANA
Hearing Aid Dealers BOARD/COMMISSION
 DEPARTMENT OF DHH
 Notes to the Financial Statement
 As of and for the year ended June 30, 2001

1. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the Hearing Aid Dealers Board/Commission may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the Board/Commission may invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the state of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and in share certificate accounts of federally or state chartered credit unions.

Deposits in bank accounts are stated at cost, which approximates market. Under state law federal deposit insurance or the pledge of securities owned by the fiscal agent bank must secure these deposits. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank. The deposits at 6/30, 2001, were secured as follows:

	Deposits in bank accounts			Total
	Cash	Certificates of Deposit	Other (Describe)	
Deposits in bank accounts per balance sheet	\$ <u>8,062</u>	\$ <u>28,035</u>	\$ _____	\$ <u>36,097</u>
Bank balances:				
1. Insured or collateralized with securities held by the entity or its agency <u>in the entity's name</u>	<u>8,062</u>	<u>28,035</u>	_____	<u>36,097</u>
2. Collateralized with securities held by the pledging institution's trust department or agent <u>in the entity's name</u>	_____	_____	_____	_____
3. Uncollateralized, including any securities held for the entity <u>but not in entity's name</u>	_____	_____	_____	_____
Total bank balances	\$ <u>8,062</u>	\$ <u>28,035</u>	\$ _____	\$ <u>36,097</u>

Note: The "Total Bank Balances" will not necessarily equal the "Deposits in Bank Account per Balance Sheet".

The following is a breakdown by banking institutions, program, account number and amount of the bank balances shown above:

STATE OF LOUISIANA

Hearing Aid Dealers

BOARD/COMMISSION

DEPARTMENT OF DHH

Notes to the Financial Statement

As of and for the year ended June 30, 2001

	<u>Banking institution</u>	<u>Program</u>	<u>Amount</u>
1.	<u>Bank One</u>	<u>Checking</u>	\$ <u>8,062</u>
2.	<u>Bank One</u>	<u>Certificate of deposit</u>	<u>28,035</u>
3.			
4.			
Total			\$ <u>36,097</u>

Were uncollateralized securities fitting the description in (3) above during the year greater than at _____ (last day of your fiscal year)? If yes, attach a statement listing the amount(s) and a reason for this occurrence. If not, proceed.

Cash in state treasury and petty cash are not required to be reported in the note disclosure. However, to aid in reconciling amounts reported on the balance sheet to amounts reported in this note, list below any cash in treasury and petty cash that are included in the balance sheet:

Cash in State Treasury \$ _____
 Petty cash \$ _____

2. INVESTMENTS

Upon implementation of GASB Statement 31, reported amount and fair value will often be the same number.

The Hearing Aid Dealers board/commission does (does not) maintain investment accounts as authorized by _____ (note legal provisions authorizing investment by the agency).

Investments can be classified according to the level of risk to the entity. Using the following categories, list each type of investment disclosing the carrying amount, market value, and applicable category of risk.

Category 1 - Insured or registered in the entity's name, or securities held by the entity or its agent in the entity's name

Category 2 - Uninsured and unregistered with securities held by the counterparty's trust department or agent in the entity's name

Category 3 - Unsecured and unregistered with securities held by the counterparty, or by its trust department or agent but not in the entity's name

NOTE: If during the year the amount of investments reported in category 3 was greater than at _____ (last day of your fiscal year) attach a statement to that effect and briefly state the cause(s).

STATE OF LOUISIANA
Hearing Aid Dealers BOARD/COMMISSION
 DEPARTMENT OF DHH
 Notes to the Financial Statement
 As of and for the year ended June 30, 2001

Certain types of investments cannot appropriately be categorized. These are to be listed separately at the end of the schedule in the space provided.

Type of Investments	Category of Risk			Reported Amount	Fair Value
	<u>1</u>	<u>2</u>	<u>3</u>		
Repurchase agreements	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
U.S. Government securities	_____	_____	_____	_____	_____
Common & preferred stock	_____	_____	_____	_____	_____
Commercial paper	_____	_____	_____	_____	_____
Corporate bonds	_____	_____	_____	_____	_____
Other: (identify)	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____
Total categorized investments	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Investments not categorized: (list separately)				_____	_____
				_____	_____
				_____	_____
				_____	_____
				_____	_____
Total Investments				\$ _____	\$ _____

3. Other Disclosures Required for Investments

- a. Investments in pools managed by other governments or mutual funds _____
- b. Securities underlying reverse repurchase agreements _____
- c. Unrealized investment losses _____
- d. Commitments as of _____ (fiscal close), to resell securities under yield maintenance repurchase agreements:
 - 1. Carrying amount and market value at June 30 of securities to be resold _____
 - 2. Description of the terms of the agreement _____
- e. Investment types owned during the year but not owned as of June 30 _____

STATE OF LOUISIANA

Hearing Aid Dealers BOARD/COMMISSION

DEPARTMENT OF DHH

Notes to the Financial Statement

As of and for the year ended June 30, 2001

f. Losses during the year due to default by counterparties to deposit or investment transactions _____

g. Amounts recovered from prior-period losses which are not shown separately on the balance sheet _____

Legal or Contractual Provisions for Reverse Repurchase Agreements

h. Source of legal or contractual authorization for use of reverse repurchase agreements _____

i. Significant violations of legal or contractual provisions for reverse repurchase agreements that occurred during the year _____

Reverse Repurchase Agreements as of the Balance Sheet Date

j. Credit risk related to the reverse repurchase agreements outstanding at balance sheet date, that is, the aggregate amount of reverse repurchase agreement obligations including accrued interest compared to aggregate market value of the securities underlying those agreements including interest _____

k. Commitments on _____ (fiscal close), to repurchase securities under yield maintenance agreements _____

l. Market value on _____ (fiscal close), of the securities to be repurchased _____

m. Description of the terms of the agreements to repurchase _____

n. Losses recognized during the year due to default by counterparties to reverse repurchase agreements _____

o. Amounts recovered from prior-period losses which are not separately shown on the operating statement _____

Fair Value Disclosures

p. Methods and significant assumptions used to estimate fair value of investments, if fair value is not based on quoted market prices _____

q. Basis for determining which investments, if any, are reported at amortized cost _____

r. For investments in external investment pools that are not SEC-registered, a brief description of any regulatory oversight for the pool _____

STATE OF LOUISIANA

Hearing Aid Dealers BOARD/COMMISSION

DEPARTMENT OF DHH

Notes to the Financial Statement

As of and for the year ended June 30, 2001

- s. Whether the fair value of your investment in the external investment pool is the same as the value of the pool shares _____
- t. Any involuntary participation in an external investment pool _____
- u. Whether you are unable to obtain information from a pool sponsor to determine the fair value of your investment in the pool, methods used and significant assumptions made in determining that fair value and the reasons for having had to make such an estimate _____
- v. Any income from investments associated with one fund that is assigned to another fund _____

D. RECEIVABLES

At _____ (last day of fiscal year), the board/commission had net receivable balances, totaling \$ _____, as follows:

Class of Receivable	Governmental Funds		Total Receivables (Net)
	General Fund	Special Revenue	
Assessments	\$ _____	\$ _____	\$ _____
Accrued interest receivable	_____	_____	_____
Hearing costs	_____	_____	_____
Fines	_____	_____	_____
Other: (identify)	_____	_____	_____
Less allowance for doubtful accounts	(_____)	(_____)	(_____)
Total receivables, net	\$ _____	\$ _____	\$ _____

E. DUE TO/DUE FROM AND TRANSFERS

The Hearing Aid Dealers does not have any individual fund type balances.

- List by fund type the amounts due from other funds detailed by individual fund at your fiscal year end:

Type of Fund	Name of Fund	Amount
_____	_____	\$ _____
_____	_____	_____
Total due from other funds		\$ _____

STATE OF LOUISIANA
Hearing Aid Dealers BOARD/COMMISSION
 DEPARTMENT OF DHH
 Notes to the Financial Statement
 As of and for the year ended June 30, 2001

2. List by fund type the amounts due to other funds detailed by individual fund at fiscal year end:

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
		\$ _____
		\$ _____
Total due to other funds		\$ _____

3. List by fund type all transfers from other funds for the fiscal year:

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
		\$ _____
		\$ _____
Total transfer from other funds		\$ _____

4. List by fund all transfers to other funds for the fiscal year:

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
		\$ _____
		\$ _____
Total transfers to other funds		\$ _____

F. GENERAL FIXED ASSETS

Fixed assets used in the governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated historical cost. (If historical cost is not available, describe alternate method of valuation and disclose the extent to which fixed assets have been estimated.)

A summary of changes in general fixed assets follows:

	<u>Balance at (beginning)</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at (ending)</u>
Land	\$ _____	\$ _____	\$ _____	\$ _____
Buildings	_____	_____	_____	_____
Equipment	<u>5,784</u>	_____	_____	<u>5,784</u>
Construction in progress	_____	_____	_____	_____
Total	\$ <u>5,784</u>	_____	_____	<u>5,784</u>

G. INVENTORIES

Governmental fund inventories of the board/commission are recorded at cost and recognized as an expenditure when purchased. Inventories at year-end are equally offset by a reservation of fund balance. (Provide the valuation method and inventory system maintained).

Inventory is recorded & maintained through yearly reporting to Property Management Agency.

H. RESTRICTED ASSETS

Restricted assets in the boards/commissions _____ Fund at _____ (the last day of your fiscal year), reflected at \$ _____ on Statement A, consist of \$ _____ of cash with fiscal agent and \$ _____ of U.S. Treasury Notes held for the Public Improvement Fixed Rate Refunding Bonds.

I. PAYABLES

At _____ (the last day of your fiscal year), the board/commission had payables totaling \$ _____, as follows:

Class of payable	Governmental Funds		Total
	General Fund	Special Revenue	
Account payable	\$ _____	\$ _____	\$ _____
Taxes payable	_____	_____	_____
Salaries payable	_____	_____	_____
Payroll deductions payable	_____	_____	_____
Other payables: (identify)	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total payables	\$ _____	\$ _____	\$ _____

J. RETIREMENT SYSTEM

Substantially all of the employees of the board/commission belong to the _____ Retirement System a _____ (single, cost sharing multiple employer, other) defined benefit pension plan. The (Each) System is a statewide public employee retirement system and is available to all eligible employees. The System(s) publish(es) yearly annual financial reports that include detailed historical, financial, and actuarial information.

All full-time board/commission employees are eligible to participate in the System. Benefits vest with 10 years of service. At retirement age, employees are entitled to annual benefits equal to \$300 plus 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service. Vested employees are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. In addition, vested employees have the option of reduced benefits at any age with 20 years of service.

STATE OF LOUISIANA

Hearing Aid Dealers BOARD/COMMISSION

DEPARTMENT OF DHH

Notes to the Financial Statement

As of and for the year ended June 30, 2001

The System also provides death and disability benefits. Benefits are established or amended by state statute. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0608 or (800) 256-3000.

Members are required by state statute to contribute 7.5% of gross salary, and the board/commission is required to contribute at an actuarially determined rate as required by LRS 11:102. The contribution rate for the fiscal year ended June 30, 2001, decreased to ___% of annual covered payroll from the 13.0% and 12.4% required in fiscal years ended June 30, 1999 and 1998, respectively. The board/commission contributions to the System for the years ending June 30, 2001, 2000, and 1999, were \$_____, \$_____, and \$_____, respectively, equal to the required contributions for each year.

K. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

Hearing Aid Dealers does not have post retirement healthcare or life insurance benefits.

GASB 12 requires the following disclosures about an employer's accounting for post retirement health care and life insurance benefits:

1. A description of the benefits provided and the employee group covered.
2. A description of the accounting and funding policies followed for those benefits.
3. The cost of those benefits recognized for the period, unless the costs are not readily determinable.**
4. The effect of significant matters affecting the comparability of the costs recognized for all periods presented.

**If the cost of any post retirement health care or life insurance benefits cannot readily be separated from the cost of providing such benefits for active employees or otherwise be reasonably approximated, the total cost of providing those benefits to active employees and retirees, as well as the number of active employees and the number of retirees covered by the plan must be disclosed.

The _____ Board/Commission provides certain continuing health care and life insurance benefits for its retired employees. Substantially all board/commission employees become eligible for those benefits if they reach normal retirement age while working for the board/commission. Those benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and by the board/commission. The board/commission recognizes the cost of providing these benefits (board/commission's portion of premiums) as an expenditure when paid during the year, which was \$_____ for the year ended _____, 20____. The cost of providing those benefits for _____ retirees is not separable from the cost of providing benefits for the _____ active employees. (or, The board/commission's cost of providing retiree health care and life insurance benefits are recognized as expenditures when the monthly premiums are paid. For the year ended _____, 20____ the costs of _____ retiree benefits totaled \$_____).

STATE OF LOUISIANA

Hearing Aid Dealers BOARD/COMMISSION

DEPARTMENT OF DHH

Notes to the Financial Statement

As of and for the year ended June 30, 2001

L. LEAVE

1. COMPENSATED ABSENCES *Hearing Aid Dealers does not have any policy related to sick leave, Adm. Secretary on contract, no employees.*

The _____ Board/Commission has the following policy on annual and sick leave: (Describe the leave policy *and* provide the dollar value of leave benefits in the General Fund and in the General Long Term Debt Account Group.)

A sample follows:

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits. The cost of leave privileges, computed in accordance with GASB Codification Section C60, \$_____, is recognized as a current year expenditure in the General Fund when leave is actually taken; it is recognized in the enterprise fund when the leave is earned. The cost of leave privileges applicable to general government operations not requiring current resources \$_____, is recorded in the general long-term obligations account group.

2. COMPENSATORY LEAVE

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned (K-time). Upon termination or transfer an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. Compensation paid will be based on the employees' hourly rate of pay at termination or transfer. The liability for accrued payable compensatory leave for (your fiscal year) computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards, Section C60.105 is estimated to be \$_____. The leave payable (is) (is not) recorded in the accompanying financial statements.

M. LEASES

The Hearing Aid Dealers Board/Commission records (does not record) items under capital leases as an asset and obligation on the accompanying financial statement. Total rental and lease expenditures for (your fiscal year) amounted to \$1,800⁰⁰.

1. OPERATING LEASES

The total payments for operating leases during the fiscal year 2000 - 2001 amounted to \$1,800⁰⁰. A schedule of payments for operating leases follows:

STATE OF LOUISIANA

Hearing Aid Dealers BOARD/COMMISSION

DEPARTMENT OF DHH

Notes to the Financial Statement

As of and for the year ended June 30, 2001

<u>Nature of lease</u>	<u>FY2002</u>	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>There- after</u>
a. Office space	\$ <u>1,800</u>	\$ <u>1,800</u>	\$ <u>1,800</u>	\$ <u>1,800</u>	\$ <u>1,800</u>	\$ <u>1,800</u>
b. Equipment	_____	_____	_____	_____	_____	_____
c. Land	_____	_____	_____	_____	_____	_____
Total	\$ <u>1,800</u>	\$ <u>1,800</u>	\$ <u>1,800</u>	\$ <u>1,800</u>	\$ <u>1,800</u>	\$ <u>1,800</u>

2. CAPITAL LEASES N/A

Capital leases are defined as an arrangement in which any one of the following conditions apply: (1) ownership transfers by the end of the lease, (2) the lease contains a bargain purchase option, (3) the lease term is 75% of the asset life or, (4) the discounted minimum lease payments are 90% of the fair market value of the asset.

<u>Nature of lease</u>	<u>Date of lease</u>	<u>Last payment date</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>	<u>Fund that pays lease</u>
a. Office space	_____	_____	_____	_____	_____
b. Equipment	_____	_____	_____	_____	_____
c. Land	_____	_____	_____	_____	_____
Total			\$ _____	\$ _____	

The following is a schedule by year of the capital leases for the five succeeding fiscal years as of the last day of your fiscal year:

<u>Year ending June 30,:</u>	<u>Total</u>
2002	\$ _____
2003	_____
2004	_____
2005	_____
2006	_____
Thereafter	_____
Total minimum lease payments	_____
Less amounts representing executory costs	(_____)
Net minimum lease payments	_____
Less amounts representing interest	(_____)
Present value of net minimum lease payments	\$ _____

3. REVENUE LEASES N/A

Lessor - Direct Financing Leases

A lease is classified as a direct financing lease (1) when any one of the four capitalization criteria used to define a capital lease for the lessee is met and (2) when both the following criteria are satisfied:

- ◆ Collectibility of the minimum lease payments is reasonably predictable.
- ◆ No important uncertainties surround the amount of the unreimbursable costs yet to be incurred by the lessor under the lease.

<u>Composition of lease</u>	<u>Date of lease</u>	<u>Minimum lease payment receivable</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	_____	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____	_____
c. Land	_____	_____	_____	_____
Less amounts representing executory costs		(_____)		
Minimum lease payment receivable		_____		
Less allowance for doubtful accounts		(_____)		
Net minimum lease payments receivable		_____		
Less unearned income		(_____)		
Net investment in direct financing lease		\$ _____		

Minimum lease payments do not include contingent rentals that may be received as stipulated in the lease contracts. Contingent rental payments occur if, for example, the use of the equipment, land, or building etc., exceeds a certain level of activity each year. Contingent rentals received for your fiscal year were \$ _____ for office space, \$ _____ for equipment, and \$ _____ for land.

The following is a schedule by year of minimum lease receivable for the five succeeding fiscal years as of the last day of your fiscal year:

Year ending _____ :	
2002	\$ _____
2003	_____
2004	_____
2005	_____
2006	_____
Thereafter	_____
Total	\$ _____

STATE OF LOUISIANA

Hearing Aid Dealers BOARD/COMMISSION

DEPARTMENT OF DHH

Notes to the Financial Statement

As of and for the year ended June 30, 2001

Lessor - Operating Lease

When a lease agreement does not satisfy at least one of the four criteria (common to both lessee and lessor accounting) and both of the criteria for a lessor (collectibility and no uncertain reimbursable costs), the lease is classified as an operating lease. In an operating lease, there is no simulated sale and the lessor simply records rent revenues, as they become measurable and available.

Provide the cost and carrying amount, if different, of property on lease or held for leasing organized by major class of property and the amount of accumulated depreciation (optional for Governmental Funds) as of (the last day of your fiscal year):

	<u>Cost</u>	<u>Accumulated depreciation</u>	<u>Carrying amount</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	N/A	_____
Totals	\$ _____	\$ _____	\$ _____

The following is a schedule by years of minimum future rentals on noncancellable operating lease(s) as of _____ (last day of fiscal year):

<u>Nature of lease</u>	<u>FY2002</u>	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>There-after</u>
a. Office space	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____	_____	_____	_____
c. Land	_____	_____	_____	_____	_____	_____
d. Other	_____	_____	_____	_____	_____	_____
Total minimum future rentals	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

Contingent rentals received from operating leases received for your fiscal year was \$ _____ for office space, \$ _____ for equipment, and \$ _____ land.

N. GENERAL LONG-TERM OBLIGATIONS None

Long-term obligations expected to be financed from governmental funds are accounted for in the general long-term obligation account group, not in the governmental funds.

The following is a summary of the long-term obligation transactions for (the last day of your fiscal year):

Long term obligations payable at _____, 20__	\$ _____
Additions	_____
Retirements	_____
Long term obligations payable at _____, 20__	\$ _____

STATE OF LOUISIANA

Hearing Aid Dealers BOARD/COMMISSION

DEPARTMENT OF DH

Notes to the Financial Statement

As of and for the year ended June 30, 2001

(Describe in detail the long-term obligations outstanding at fiscal year end. Include a discussion of notes payable as to amount, interest rates, purpose, maturity dates, installment amounts, etc.)

O. LITIGATION At 6/30/01, the Hearing Aid Dealers did not have litigations or claims against them. No claims or litigation were incurred in the current year.

1. The _____ Board/Commission is a defendant in litigation seeking damages as follows:

Date of Action	Description of Litigation	Primary Attorney	Damages Claimed	Insurance Coverage
_____	_____	_____	\$ _____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Totals			\$ _____	\$ _____

Of the amount not covered by insurance, \$ _____, the board/commission has recorded \$ _____ as a liability of the General Fund and \$ _____ as a general long-term liability, as required by GASB Codification Section C50.

The _____ Board/Commission's legal advisor estimates that potential claims not covered by insurance would affect the financial statement as follows (would not materially affect the financial statements or is unable to estimate the effect on the financial statement):

Claims and litigation costs of \$ _____ were incurred in the current year. Of this amount, \$ _____ has been recorded as a current year expenditure in the General Fund and \$ _____ has been recorded in the general long-term obligations account group as an obligation not requiring current resources.

STATE OF LOUISIANA

Hearing Aid Dealer BOARD/COMMISSION

DEPARTMENT OF DHH

Notes to the Financial Statement

As of and for the year ended June 30, 2001

P. RELATED PARTY TRANSACTIONS N/A

(FASB 57 requires disclosure of the description of the relationship, the transaction(s), the dollar amount of the transaction(s) and any amounts due to or from which result from related party transactions. List all related party transactions).

Q. ACCOUNTING CHANGES N/A

Accounting changes made during the year involved a change in accounting _____ (principle, estimate, error or entity). The effect of the change is being shown in _____.

R. FUND DEFICITS N/A

Fund	Deficit Amount
_____	\$ _____
_____	_____
_____	_____
_____	\$ _____

(Give management's response for elimination of the deficits).

S. ENCUMBRANCES N/A

(Describe the board/commission's uses of encumbrance accounting.)

T. COOPERATIVE ENDEAVORS N/A

LRS 33:9022 defines cooperative endeavors as any form of economic development assistance between and among the state of Louisiana, its local governmental subdivisions, political corporations, public benefit corporations, the United States government or its agencies, or any public or private association, corporation, or individual. The term cooperative endeavor includes cooperative financing, cooperative development, or any form of cooperative economic development activity. The state of Louisiana has entered into cooperative endeavor agreements with certain entities aimed at developing the economy of the state. The liability outstanding as of June 30, 2001, by funding source, is as follows:

STATE OF LOUISIANA

Hearing Aid Dealers BOARD/COMMISSION

DEPARTMENT OF DAH

Notes to the Financial Statement

As of and for the year ended June 30, 2001

<u>Funding Source</u>	<u>Balance</u> <u>June 30, 2001</u>
State General Fund	\$ _____
Self-generated revenue	_____
Statutorily dedicated revenue	_____
General obligation bonds	_____
Federal funds	_____
Interagency transfers	_____
Other funds/combination	_____

NOTE: Amounts in excess of contract limits **cannot** be used to reduce the outstanding contract balance at June 30, 2001. For example, if a contract specifies a percentage of usage for each month (25%) and usage exceeds that percentage (75%), you cannot claim actual usage that exceeds contract requirements (50%).

NOTE: In order to compute your ending balances by funding source, you should begin with your balances at June 30, 2000. These amounts will be increased by amounts for new contracts and amendments and decreased for payments as well as for liquidations.

U. GOVERNMENT-MANDATED NONEXCHANGE TRANSACTIONS (GRANTS) N/A

The following government-mandated nonexchange transactions (grants) were received during fiscal year 2000-2001:

<u>CFDA</u> <u>Number</u>	<u>Program name</u>	<u>State Match</u> <u>Percentage</u>	<u>Total Amount</u> <u>of Grant</u>
		% \$	
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total government-mandated nonexchange transactions (grants)			_____

V. SUBSEQUENT EVENTS N/A

(Disclose any material event(s) affecting the board/commission occurring between the close of the fiscal period and issuance of the financial statement).

STATE OF LOUISIANA
Hearing Aid Dealers **BOARD/COMMISSION**
SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS
 For the Year Ended June 30, 2001
 (Fiscal Close)

<u>Name</u>	<u>Amount</u>
<i>Hearing Aid Dealers board members are not paid per diem. Only Actual Expenses. \$</i>	
Total	\$ _____

Schedule 1

STATE OF LOUISIANA
Hearing Aid Dealers **BOARD/COMMISSION**
SCHEDULE OF EXPENDITURES BY OBJECT
 For the Year Ended June 30, 2001
 (Fiscal Close)

Expenditure	Amount
Personal services	\$ <u>8,700</u>
Travel	<u>957</u>
Operating services	<u>4,934</u>
Supplies	<u>806</u>
Professional services	<u>627</u>
Other charges	<u>203</u>
Capital outlay	<u> </u>
Interagency transfers	<u> </u>
Debt service	<u> </u>
Total	\$ <u>16,227</u>

Schedule 2



State of Louisiana

The Louisiana State Board for Hearing Aid Dealers

PO Box 6016

Monroe, Louisiana 71211-6016

Voice (318)362-3014 Fax(318)362-3019

Board Members

Claudia Leger
Chairman
1004 Harrow Street
Houma, LA 70361
(504)872-4664

Susan W. Sayer
Secretary-Treasurer
3327 Jackson Street Suite B
Alexandria, LA 71301
(318)443-3632

Jimmy Guidry, M.D.
PO Box 60630
New Orleans, LA 70160
(504)568-5050

Clifton O. Istre, Jr.
1472 S. College Road
Suite 102
Lafayette, LA 70503
(318)233-4081

H. Keith Stroud
8149 Florida Boulevard
Baton Rouge, LA 70806
(504) 928-1490

Dianne LeBlanc
1904 Cammie Avenue
Metairie, LA 70003
(504)454-1080

James W. Spears, Sr.
PO Box 1159
Ruston, LA 71270
(318)255-5015

Robert N. Stout
1260 Belvedere Drive
Baton Rouge, LA 70808
(504)924-0675

August 4, 2000

Division of Administration
Office of Statewide Reporting
and Accounting Policy
PO Box 94095
Baton Rouge LA 70804-9095

Dear Sirs:

Please find enclosed the Annual Fiscal Report for the Louisiana Board for Hearing Aid Dealers year ending June 30, 2000.

Sincerely,

A handwritten signature in cursive script that reads "Resa Brady".

Resa Brady
Administrative Secretary

Enclosure



State of Louisiana

The Louisiana State Board for Hearing Aid Dealers

PO Box 6016

Monroe, Louisiana 71211-6016

Voice (318)362-3014 Fax(318)362-3019

Board Members

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Ruston, LA 71270
(318)255-5015

Robert N. Stout
1260 Belvedere Drive
Baton Rouge, LA 70808
(504)924-0675

August 4, 2000

Legislative Auditor
PO Box 94397
Baton Rouge LA 70804-9397

Dear Sirs:

Please find enclosed the Annual Fiscal Report for the Louisiana Board for Hearing Aid Dealers year ending June 30, 2000.

Sincerely,

Resa Brady

Resa Brady
Administrative Secretary

Enclosure

STATE OF LOUISIANA
Home and Community Development Board/Commission

Annual Financial Statement
For the Year Ended 6/30/00
(Fiscal Close)

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STATE OF LOUISIANA

Hearing Aid Deaf ~~Board~~ BOARD/COMMISSION

DEPARTMENT OF DHH

BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

FOR THE YEAR ENDED 6/30, 2000

	GOVERNMENTAL FUND TYPES		ACCOUNT GROUPS		TOTAL (MEMORANDUM ONLY)
	GENERAL FUND	SPECIAL REVENUE FUND(S)	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	
ASSETS AND OTHER DEBITS					
Cash and cash equivalents	\$ 36,530	\$ _____	\$ _____	\$ _____	\$ _____
Investments	_____	_____	_____	_____	_____
Receivables	_____	_____	_____	_____	_____
Due from Other Funds	_____	_____	_____	_____	_____
Other Assets	_____	_____	_____	_____	_____
Fixed Assets	_____	_____	_____	_____	_____
Amount to be Provided for Retirement Of General Long-Term Obligations	_____	_____	_____	_____	_____
TOTAL ASSETS AND OTHER DEBITS	\$ 36,530	\$ _____	\$ _____	\$ _____	\$ _____
LIABILITIES, FUND EQUITY, AND OTHER CREDITS					
Liabilities:					
Accounts payable	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Compensated Absences Payable	_____	_____	_____	_____	_____
Due to other Funds	_____	_____	_____	_____	_____
Long-Term Obligations Payable	_____	_____	_____	_____	_____
Other Liabilities	_____	_____	_____	_____	_____
Total Liabilities	_____	_____	_____	_____	_____
Equity and Other Credits:					
Investment in general fixed assets	_____	_____	_____	_____	_____
Fund balance - reserved	_____	_____	_____	_____	_____
Fund balance - unreserved - Undesignated	_____	_____	_____	_____	_____
Total Equity and Other Credits	36,530	_____	_____	_____	_____
TOTAL LIABILITIES, FUND EQUITY, AND OTHER CREDITS	\$ 36,530	\$ _____	\$ _____	\$ _____	\$ _____

The accompanying notes are an integral part of this statement.

Statement A

STATE OF LOUISIANA

Hearing Aid Dealers BOARD/COMMISSION
DEPARTMENT OF DHH

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUND TYPE
FOR THE YEAR ENDED 6/30, 2000

	GENERAL FUND	SPECIAL REVENUE FUND(S)	TOTAL (MEMORANDUM ONLY)
REVENUES			
Use of money and Property	\$	\$	\$
Licenses, Permits, and Fees	<u>14,676</u>		
Sales of Commodities and Services			
Other	<u>1,542</u>		
Total Revenues	<u>16,218</u>		
EXPENDITURES			
Other	<u>3,125</u>		
Intergovernmental	<u>18,807</u>		
Total Expenditures	<u>21,932</u>		
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES			
OTHER FINANCING SOURCES (Uses)			
Total Other Financing Sources (Uses)			
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(5,714)</u>		
FUND BALANCE (Deficit) AT BEGINNING OF YEAR (as restated)	<u>42,244</u>		
FUND BALANCE (Deficit) AT END OF YEAR	<u>\$ 36,530</u>	\$	\$

The accompanying notes are an integral part of this statement.

Statement B

STATE OF LOUISIANA

Hearing Aid Deaf ~~BOARD~~ BOARD/COMMISSION

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET (GAAP/NON-GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED 6/30, 2000

	GENERAL FUND		
	BUDGET	Rev. 1/20/00 ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUES			
• License & Fees	\$ 21,650	\$ 14,676	\$ 6,974
• Interest Earned (C.D.)		1,412	(1,412)
• Other		130	(130)
•			
•			
Total Revenues		16,218	5,432
EXPENDITURES			
• Personal Services	8,700	8,700	- 0 -
• Operating Services	5,300	5,369	(69)
• Material & Supplies	1,150	1,451	(301)
• Travel	3,000	3,287	(287)
• Legal & Accounting	3,500	3,125	375
•			
Total Expenditures	21,650	21,932	(282)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES		(5,714)	
OTHER FINANCING SOURCES (Uses):			

Total Other Financing Sources (Uses)			
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES		(5,714)	
FUND BALANCE (Deficit) AT BEGINNING OF YEAR Adjustment		42,244	
FUND BALANCE (Deficit) AT END OF YEAR	\$	\$ 36,530	\$

The accompanying notes are an integral part of this statement.
 * Categorize revenues and expenditures according to board/commission's chart of accounts.
 Statement C

STATE OF LOUISIANA

Hearing Aid Deaf **BOARD/COMMISSION**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (GAAP/NON-GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED 6/30, 2000**

	SPECIAL REVENUE FUNDS		
	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
N/A			
REVENUES			
*	\$	\$	\$
*			
*			
*			
*			
Total Revenues			
EXPENDITURES			
*			
*			
*			
*			
*			
*			
Total Expenditures			
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES			
OTHER FINANCING SOURCES (Uses):			

Total Other Financing Sources (Uses)			
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES			
FUND BALANCE (Deficit) AT BEGINNING OF YEAR Adjustment			
FUND BALANCE (Deficit) AT END OF YEAR	\$	\$	\$

The accompanying notes are an integral part of this statement.
* Categorize revenues and expenditures according to board/commission's chart of accounts.
Statement C

STATE OF LOUISIANA

Hearing Aid Dealers **BOARD/COMMISSION**

DEPARTMENT OF DHH

Notes to the Financial Statements

As of and for the Year Ended 6/30/00

INTRODUCTION

The Hearing Aid Dealers Board/Commission is a component unit of the State of Louisiana created within the Louisiana Department of DHH, as provided by Louisiana Revised Statutes 37:2441-2465. The board/commission is composed of 9 members, appointed by the Governor, who serve terms of 7/4 years ~~2 @ Gov. pleasure~~. The board/commission is charged with the responsibility ~~of to provide for examination and licensing of persons who test hearing while engaged in the selling & fitting of hearing aids; regulation of selling & fitting to public~~ Operations of the board/commission are funded with application & testing fees, renewal fees. Provide for penalties.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Presentation

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

2. Reporting Entity

GASB Codification Section 2100 establishes criteria for determining the governmental reporting entity and has defined the governmental reporting entity for the board/commission to be the State of Louisiana because the state exercises oversight responsibility in that the governor appoints the commission members and public service is rendered within the state's boundaries. The accompanying financial statements present transactions of the Hearing Aid Dealers Board/Commission and therefore, are a part of the fund and account group structure of the State of Louisiana. Annually the State of Louisiana issues general-purpose financial statements, which are audited by the Louisiana Legislative Auditor.

3. Fund Accounting

The board/commission uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the fund because they do not directly affect net expendable financial resources. The funds presented in the financial statement are described as follows:

STATE OF LOUISIANA

Hearing Aid Dealers **BOARD/COMMISSION**

DEPARTMENT OF DHH

Notes to the Financial Statements (Continued)

As of and for the Year Ended 6/30/00

General Fund

The General Fund is classified as a governmental fund. The General Fund is the general operating fund of the board/commission and accounts for all financial resources. Revenues are accounted for in this fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled. General operating expenditures are paid from this fund.

Special Revenue Fund(s)

Special Revenue Fund(s) are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Account Groups

The two account groups are not "funds". They are concerned only with the measurement of financial position, not with measurement of results of operations. Account groups are used to establish accounting control and accountability for general fixed assets and general long-term debt.

a. General Fixed Asset Account Group – Fixed assets used in the governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in the governmental fund.

b. General Long Term Debt Account Group – obligations such as compensated absences payable expected to be financed from governmental funds are accounted for in the general long-term debt account group not in the governmental funds.

4. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized and reported in the financial statement. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The board's/commission's records are maintained on the cash basis of accounting using the following practices:

Revenues

(This space should be used to describe when various revenues are reported.)

Revenues are reported annually.

Expenditures

(This space should be used to describe how expenditures are generally recognized.)

Budget based on previous year experience and projected purchases.

Reported annually.

Other Financing Sources (Uses)

(This space should be used to describe the composition of Other Financing Sources (Uses). Examples of Other Financing Sources include amounts equal to the present value of minimum lease payments arising from capital leases, proceeds from the sale of general assets, and operating transfers in. Examples of Other Financing Uses include deposits with escrow agents and operating transfers out.)

NONE

STATE OF LOUISIANA

Hearing Aid Dealers BOARD/COMMISSION

DEPARTMENT OF DHH

Notes to the Financial Statements (Continued)

As of and for the Year Ended 6/30/00

5. Encumbrances N/A

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund and Special Revenue Funds. Encumbrances outstanding at year-end are reported as reservations of fund balances since they do not constitute expenditures or liabilities.

6. Total Columns on Combined Statements

Total columns on the combined statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

B. BUDGET PRACTICES

The Hearing Aid Dealers board/commission utilizes the following budgetary practices:

Annually the board/commission adopts a budget that is submitted to the DHH Department as prescribed by LRS 39:1331-1342. The budget for fiscal year ended 6/30/00 (last day of your fiscal year) was adopted on 1/9/99 and is prepared and reported on a cash accrual basis of accounting. Although budget amounts lapse at year-end, the board/commission retains its unexpended fund balance to fund expenditures of the succeeding year. The budget amounts on Statement C reflect the amended adopted budgets for the fiscal year ended 6/30/00 (last day of your fiscal year). There was/were 1 amendment(s) made to the budget.

(There should be a reconciliation of any non-GAAP budget amounts on Statement C to the amounts on Statement B, using the excess of revenues and other sources over expenditures and other uses figures as the basis of the reconciliation.)

The following individual funds had actual expenditures over adopted budgeted expenditures for the year-ended _____ (last day of your fiscal year): N/A

<u>Fund</u>	<u>Fund Type</u>	<u>Ending Fund Balance (Deficit)</u>
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____

STATE OF LOUISIANA

Hearing Aid Dealers **BOARD/COMMISSION**

DEPARTMENT OF DHH

Notes to the Financial Statements (Continued)

As of and for the Year Ended 6/30/00

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (If all agency cash and investments are deposited in the State Treasury, disregard Note C.)

1. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the Hearing Aid Dealers Board/Commission may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the Board/Commission may invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the state of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and in share certificate accounts of federally or state chartered credit unions.

Deposits in bank accounts are stated at cost, which approximates market. Under state law federal deposit insurance or the pledge of securities owned by the fiscal agent bank must secure these deposits. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer. The deposits at 6/30, 2000, were secured as follows:

	<u>Deposits in Bank Accounts</u>			<u>Total</u>
	<u>Cash</u>	<u>Certificates of Deposit</u>	<u>Other (Describe)</u>	
Deposits in bank accounts on balance sheet	\$ <u>9,590</u>	\$ <u>26,940</u>	\$ _____	\$ <u>36,530</u>
Bank Balances:				
1. Insured (FDIC) or collateralized with securities held by the entity or its agent in <u>the entity's name</u>	<u>9,590</u>	<u>26,940</u>	_____	<u>36,530</u>
2. Collateralized with securities held by pledging financial institution's trust department or agent in <u>the entity's name</u>	_____	_____	_____	_____
3. Uncollateralized, including any securities held for the entity but <u>not in the entity's name</u>	_____	_____	_____	_____
Total Bank Balances	\$ <u><u>9,590</u></u>	\$ <u><u>26,940</u></u>	\$ _____	\$ <u><u>36,530</u></u>

Note: The "Total Bank Balances" will not necessarily equal the "Deposits in Bank Account per Balance Sheet".

The following is a breakdown by banking institutions, program, account number and amount of the bank balances shown above:

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Hearing Aid Dealers **BOARD/COMMISSION**

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Notes to the Financial Statements (Continued)

As of and for the Year Ended 6/30/00

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (If all agency cash and investments are deposited in the State Treasury, disregard Note C.)

1. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the Hearing Aid Dealers Board/Commission may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the Board/Commission may invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the state of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and in share certificate accounts of federally or state chartered credit unions.

Deposits in bank accounts are stated at cost, which approximates market. Under state law federal deposit insurance or the pledge of securities owned by the fiscal agent bank must secure these deposits. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer. The deposits at 6/30, 2000, were secured as follows:

Deposits in Bank Accounts

	<u>Cash</u>	<u>Certificates of Deposit</u>	<u>Other (Describe)</u>	<u>Total</u>
Deposits in bank accounts on balance sheet	\$ <u>9,590</u>	\$ <u>26,940</u>	\$ _____	\$ <u>36,530</u>
Bank Balances:				
1. Insured (FDIC) or collateralized with securities held by the entity or its agent <u>in the entity's name</u>	<u>9,590</u>	<u>26,940</u>	_____	<u>36,530</u>
2. Collateralized with securities held by pledging financial institution's trust department or agent <u>in the entity's name</u>	_____	_____	_____	_____
3. Uncollateralized, including any securities held for the entity but <u>not in the entity's name</u>	_____	_____	_____	_____
Total Bank Balances	\$ <u>9,590</u>	\$ <u>26,940</u>	\$ _____	\$ <u>36,530</u>

Note: The "Total Bank Balances" will not necessarily equal the "Deposits in Bank Account per Balance Sheet".

The following is a breakdown by banking institutions, program, account number and amount of the bank balances shown above:

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Notes to the Financial Statements (Continued)
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<u>Banking Institution</u>	<u>Program</u>	<u>Amount</u>
1. <u>Bank One</u>	<u>Checking</u>	\$ <u>9,590</u>
2. <u>Bank One</u>	<u>Certificate of Deposit</u>	<u>26,940</u>
3. _____	_____	_____
4. _____	_____	_____
Total		\$ <u><u>36,530</u></u>

Were uncollateralized securities fitting the description in (3) above during the year greater than at _____ (last day of your fiscal year)? If yes, attach a statement listing the amount(s) and a reason for this occurrence. If not, proceed.

Cash in state treasury and petty cash are not required to be reported in the note disclosure. However, to aid in reconciling amounts reported on the balance sheet to amounts reported in this note, list below any cash in treasury and petty cash that are included in the balance sheet:

Cash in State Treasury \$ _____
Petty Cash \$ _____

2. INVESTMENTS

Upon implementation of GASB Statement 31, reported amount and fair value will often be the same number.

The Hearing Aid Dealers board/commission does (does not) maintain investment accounts as authorized by _____ (note legal provisions authorizing investment by the agency).

Investments can be classified according to the level of risk to the entity. Using the following categories, list each type of investment disclosing the carrying amount, market value, and applicable category of risk.

Category 1 - Insured or registered in the entity's name, or securities held by the entity or its agent in the entity's name

Category 2 - Uninsured and unregistered with securities held by the counterparty's trust department or agent in the entity's name

Category 3 - Unsecured and unregistered with securities held by the counterparty, or by its trust department or agent but not in the entity's name

NOTE: If during the year the amount of investments reported in category 3 was greater than at _____ (last day of your fiscal year) attach a statement to that effect and briefly state the cause(s). Certain types of investments cannot appropriately be categorized. These are to be listed separately at the end of the schedule in the space provided.

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agent but not in the entity's name

NOTE: If during the year the amount of investments reported in category 3 was greater than at _____ (last day of your fiscal year) attach a statement to that effect and briefly state the cause(s). Certain types of investments cannot appropriately be categorized. These are to be listed separately at the end of the schedule in the space provided.

<u>Type of Investment</u>	<u>Category of Risk</u>			<u>Reported Amount</u>	<u>Fair Value</u>
	<u>1</u>	<u>2</u>	<u>3</u>		
Repurchase Agreements	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
US Government Securities	_____	_____	_____	_____	_____
Common and Preferred Stock	_____	_____	_____	_____	_____
Commercial Paper	_____	_____	_____	_____	_____
Corporate Bonds	_____	_____	_____	_____	_____
Other	_____	_____	_____	_____	_____
Total Categorized Investments	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Investments not categorized (list separately):	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
TOTAL INVESTMENTS				\$ _____	\$ _____

3. Other Disclosures Required for Investments

a. Investments in pools managed by other governments or mutual funds _____

b. Securities underlying reverse repurchase agreements _____

c. Unrealized investment losses _____

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Hearing Aid Dealers **BOARD/COMMISSION**

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Notes to the Financial Statements (Continued)

As of and for the Year Ended 6/30/00

1. Carrying amount and market value as of (last day of fiscal year) of securities to be resold _____

2. Description of the terms of the agreements _____

e. Investment types owned during the year but not owned as of (last day of fiscal year) _____

f. Losses during year due to default by counterparties to deposit or investment transactions _____

g. Amounts recovered from prior-period losses which are not shown separately on the balance sheet _____

Legal or Contractual Provisions for Reverse Repurchase Agreements

h. Source of legal or contractual authorization for use of reverse repurchase agreements _____

i. Significant violations of legal or contractual provisions for reverse repurchase agreements that occurred
During the year _____

Reverse Repurchase Agreements as of the Balance Sheet Date

j. Credit risk related to the reverse repurchase agreements outstanding at balance sheet date, that is, the
Aggregate amount of reverse repurchase agreement obligations including accrued interest compared to
Aggregate market value of the securities underlying those agreements including interest _____

k. Commitments on (last day of fiscal year), to repurchase securities under yield maintenance agreements _____

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Notes to the Financial Statements (Continued)

As of and for the Year Ended 6/30/00

l. Market value on (last day of fiscal year), of the securities to be repurchased _____

m. Description of the terms of the agreements to repurchase _____

n. Losses recognized during the year due to default by counterparties to reverse repurchase agreements _____

o. Amounts recovered from prior-period losses which are not separately shown on the operating statement _____

Fair Value Disclosures

p. Methods and significant assumptions used to estimate fair value of investments, if fair value is not based on quoted market prices _____

q. Basis for determining which investments, if any, are reported at amortized cost _____

r. For investments in external investment pools that are not SEC- registered, a brief description of any Regulatory oversight for the pool _____

s. Whether the fair value of your investment in the external investment pool is the same as the value of the Pool shares. _____

t. Any involuntary participation in an external investment pool _____

u. Whether you are unable to obtain information from a pool sponsor to determine the fair value of your investment in the pool, methods used and significant assumptions made in determining that fair value and The reasons for having had to make such an estimate _____

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Notes to the Financial Statements (Continued)

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v. Any income from investments associated with one fund that is assigned to another fund _____

D. RECEIVABLES

At (last day of your fiscal year end), the board/commission had net receivable balances, totaling \$ _____, as follows:

<u>Class of Receivable</u>	<u>Governmental Funds</u>		<u>Total Receivables, Net</u>
	<u>General</u>	<u>Special Revenue</u>	
Assessments	\$ _____	\$ _____	\$ _____
Accrued interest receivable	_____	_____	_____
Hearing costs	_____	_____	_____
Fines	_____	_____	_____
Other receivables (identify):	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
Total Receivables, Net	\$ _____	\$ _____	\$ _____

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Hearing Aid Dealers **BOARD/COMMISSION**
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Notes to the Financial Statements (Continued)
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E. DUE FROM/DUE TO AND TRANSFERS The Hearing Aid Dealers does not have any individual fund type balances.

1. List (by fund type) the amounts Due From Other Funds detailed by individual fund at the last day of your fiscal year:

TYPE OF FUND	NAME OF FUND	AMOUNT
Total due from other funds		\$ <u> </u>

2. List (by fund type) the amounts Due To Other Funds detailed by individual fund at the last day of your fiscal year:

TYPE OF FUND	NAME OF FUND	AMOUNT
Total due to other funds		\$ <u> </u>

3. List (by fund) all Transfers From Other Funds for the fiscal year:

NAME OF FUND	AMOUNT
Total transfers from other funds	\$ <u> </u>

4. List (by fund) all Transfers To Other Funds for the fiscal year:

NAME OF FUND	AMOUNT
Total transfers to other funds	\$ <u> </u>

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Notes to the Financial Statements (Continued)

As of and for the Year Ended 6/30/00

F. GENERAL FIXED ASSETS

Fixed assets used in the governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated historical cost. (If historical cost is not available, describe alternate method of valuation and disclose the extent to which fixed assets have been estimated.)

A summary of changes in general fixed assets follows:

	<u>Beginning Balance at</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance at</u>
Land	\$ _____	\$ _____	\$ _____	\$ _____
Buildings	_____	_____	_____	_____
Improvements other than Buildings	_____	_____	_____	_____
Equipment	<u>5,784</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>5,784</u>
Total	\$ <u>5,784</u>	\$ <u>- 0 -</u>	\$ <u>- 0 -</u>	\$ <u>5,784</u>

G. INVENTORIES

Governmental fund inventories of the board/commission are recorded at cost and recognized as an expenditure when purchased. Inventories at year-end are equally offset by a reservation of fund balance. (Provide the valuation method and inventory system maintained). Inventory is recorded and maintained through yearly reporting to Property Management Agency.

H. RESTRICTED ASSETS

Restricted assets in the boards/commissions _____ Fund at _____ (the last day of your fiscal year), reflected at \$ _____ on Statement A, consist of \$ _____ of cash with fiscal agent and \$ _____ of U.S. Treasury Notes held for the Public Improvement Fixed Rate Refunding Bonds.

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Hearing Aid Dealers **BOARD/COMMISSION**

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Notes to the Financial Statements (Continued)

As of and for the Year Ended 6/30/00

I. PAYABLES

At _____ (the last day of your fiscal year), the board/commission had payables totaling \$ _____, as follows

<u>Class of Payable</u>	<u>Governmental Funds</u>		<u>Total</u>
	<u>General</u>	<u>Special Revenue</u>	
Accounts payable	\$ _____	\$ _____	\$ _____
Taxes payable	_____	_____	_____
Salaries payable	_____	_____	_____
Payroll deductions payable	_____	_____	_____
Other payables (identify):	_____	_____	_____
	_____	_____	_____
Total payables	\$ _____	\$ _____	\$ _____

J. RETIREMENT SYSTEM

Substantially all of the employees of the board/commission belong to the _____ Retirement System a _____ (single, cost sharing multiple employer, other) defined benefit pension plan. The (Each) System is a statewide public employee retirement system and is available to all eligible employees. The System(s) publish (es) yearly annual financial reports that include detailed historical, financial, and actuarial information.

All full-time board/commission employees are eligible to participate in the System. Benefits vest with 10 years of service. At retirement age, employees are entitled to annual benefits equal to \$300 plus 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service. Vested employees are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. In addition, vested employees have the option of reduced benefits at any age with 20 years of service. The System also provides death and disability benefits. Benefits are established or amended by state statute. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0608 or (800) 256-3000.

Members are required by state statute to contribute 7.5% of gross salary, and the board/commission is required to contribute at an actuarially determined rate as required by LRS 11:102. The contribution rate for the fiscal year ended June 30, 2000, decreased to _____% of annual covered payroll from the 13.0% and 12.4% required in fiscal years ended June 30, 1999 and 1998, respectively. The board/commission contributions to the System for the years ending June 30, 2000, 1999, and 1998, were \$ _____, \$ _____, and \$ _____, respectively, equal to the required contributions for each year.

K. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS The Hearing Aid Dealers does not have post retirement health care or life insurance benefits.

GASB 12 requires the following disclosures about an employer's accounting for post retirement health care

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Notes to the Financial Statements (Continued)
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and life insurance benefits:

1. A description of the benefits provided and the employee group covered.
2. A description of the accounting and funding policies followed for those benefits.
3. The cost of those benefits recognized for the period, unless the costs are not readily determinable.**
4. The effect of significant matters affecting the comparability of the costs recognized for all periods presented.

**If the cost of any post retirement health care or life insurance benefits cannot readily be separated from the cost of providing such benefits for active employees or otherwise be reasonably approximated, the total cost of providing those benefits to active employees and retirees, as well as the number of active employees and the number of retirees covered by the plan must be disclosed.

The _____ Board/Commission provides certain continuing health care and life insurance benefits for its retired employees. Substantially all board/commission employees become eligible for those benefits if they reach normal retirement age while working for the board/commission. Those benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and by the board/commission. The board/commission recognizes the cost of providing these benefits (board/commission's portion of premiums) as an expenditure when paid during the year, which was \$ _____ for the year ended _____, 20____. The cost of providing those benefits for _____ retirees is not separable from the cost of providing benefits for the _____ active employees. (or, The board/commission's cost of providing retiree health care and life insurance benefits are recognized as expenditures when the monthly premiums are paid. For the year ended _____, 20____ the costs of _____ retiree benefits totaled \$ _____).

L. LEAVE The Hearing Aid Dealers does not have any policy related to sick leave. Administrative Secretary on contract. No employees.

1. COMPENSATED ABSENCES

The _____ Board/Commission has the following policy on annual and sick leave: (Describe the leave policy *and* provide the dollar value of leave benefits in the General Fund and in the General Long Term Debt Account Group.)

A sample follows:

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits. The cost of leave privileges, computed in accordance with GASB Codification Section C60, \$ _____, is recognized as a current year expenditure in the General Fund when leave is actually taken; it is recognized in the enterprise fund when the leave is earned. The cost of leave privileges applicable to general government operations not requiring current resources \$ _____, is recorded in the general long-term obligations account group.

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Notes to the Financial Statements (Continued)
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2. COMPENSATORY LEAVE

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned (K-time). Upon termination or transfer an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. Compensation paid will be based on the employees' hourly rate of pay at termination or transfer. The liability for accrued payable compensatory leave for (your fiscal year) computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards, Section C60.105 is estimated to be \$_____. The leave payable (is) (is not) recorded in the accompanying financial statements.

M. LEASES

The _____ Board/Commission records (does not record) items under capital leases as an asset and obligation on the accompanying financial statement. Total rental and lease expenditures for (your fiscal year) amounted to \$_____. The following is an analysis of capital leases:

1. CAPITAL LEASES N/A

Nature of Lease	Date of Lease	Last Payment Date	Remaining Interest to End of Lease	Remaining Principal to End of Lease	Fund Which Pays the Lease
a. Office Space			\$	\$	
b. Equipment					
c. Land					
Total			\$ _____	\$ _____	

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Notes to the Financial Statements (Continued)

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The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of (last day of your fiscal year):

YEAR	
2001	\$ _____
2002	_____
2003	_____
2004	_____
2005	_____
Thereafter	_____
TOTAL MINIMUM LEASE PAYMENTS	_____
LESS: AMOUNTS REPRESENTING EXECUTORY COSTS	(_____)
NET MINIMUM LEASE PAYMENTS	_____
LESS: AMOUNT REPRESENTING INTEREST	(_____)
PRESENT VALUE OF NET MINIMUM LEASE PAYMENTS	\$ _____

2. OPERATING LEASES

The total payments for operating leases during the fiscal year 1999 - 2000 amounted to \$ 2,024 . A schedule of payments for operating leases follows:

Nature of Operating Lease	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	Thereafter
<u>Office Space</u>	\$ <u>1,800</u>	\$ <u>1,800</u>	\$ <u>1,800</u>	\$ <u>1,800</u>	\$ <u>1,800</u>	\$ <u>1,800</u>
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
TOTAL	\$ <u>1,800</u>	\$ <u>1,800</u>	\$ <u>1,800</u>	\$ <u>1,800</u>	\$ <u>1,800</u>	\$ <u>1,800</u>

3. REVENUE LEASES. N/A

Lessor - Direct Financing Leases

A lease is classified as a direct financing lease (1) when any one of the four capitalization criteria used to define a capital lease for the lessee is met and (2) when both the following criteria are satisfied:

- ◆ Collectibility of the minimum lease payments is reasonably predictable.
- ◆ No important uncertainties surround the amount of the unreimbursable costs yet to be incurred by the lessor under the lease.

Provide a general description of the direct financing agreement, and complete the chart below:

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Notes to the Financial Statements (Continued)

As of and for the Year Ended 6/30/00

Composition of Lease	Date of Lease	Minimum Lease Payment Receivable	Remaining Interest to End of Lease	Remaining Principal to End of Lease
Office space	_____	\$ _____	\$ _____	\$ _____
Equipment	_____	_____	_____	_____
Land	_____	_____	_____	_____
Total		_____	_____	_____
	Less:	Amounts Representing Executory Costs Minimum Lease Payment Receivable Allowance for Uncollectibles Net Minimum Lease Payments Receivable Subtotal	(_____)	
	Less:	Unearned Income Net Investment in Direct Financing Leases	(_____)	
		\$ _____		

Minimum lease payments do not include contingent rentals that may be received as stipulated in the lease contracts. Contingent rental payments occur if, for example, the use of the equipment, land, or building etc., exceeds a certain level of activity each year. Contingent rentals received for your fiscal year were \$ _____ for office space, \$ _____ for equipment, and \$ _____ for land.

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Notes to the Financial Statements (Continued)

As of and for the Year Ended 6/30/00

The following is a schedule by year of minimum lease receivable for the five succeeding fiscal years as of (the last day of your fiscal year):

Year ending (last day of your fiscal year):

<u>YEAR</u>	<u>MINIMUM LEASE RECEIVABLE</u>
2001	\$ _____
2002	_____
2003	_____
2004	_____
2005	_____
Thereafter	_____
Total	\$ _____

Lessor - Operating Lease

When a lease agreement does not satisfy at least one of the four criteria (common to both lessee and lessor accounting) and both of the criteria for a lessor (collectibility and no uncertain reimbursable costs), the lease is classified as an operating lease. In an operating lease, there is no simulated sale and the lessor simply records rent revenues, as they become measurable and available.

Provide the cost and carrying amount, if different, of property on lease or held for leasing organized by major class of property and the amount of accumulated depreciation (optional for Governmental Funds) as of (the last day of your fiscal year):

Office Space	\$ _____
Equipment	\$ _____
Land	\$ _____
Less: Accumulated Depreciation	(_____)
Total Carrying Value of Property	\$ _____

The following is a schedule by years of minimum future rentals on noncancellable operating lease(s) as of (the last day of your fiscal year):

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Notes to the Financial Statements (Continued)
As of and for the Year Ended 6/30/00

Composition of Lease	2001	2002	2003	2004	2005	Thereafter
Office Space	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Equipment	_____	_____	_____	_____	_____	_____
Land	_____	_____	_____	_____	_____	_____
Total Minimum Future Rentals	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u>_____</u>

Contingent rentals received from operating leases received for your fiscal year was \$ _____ for office space, \$ _____ for equipment, and \$ _____ for land.

N. GENERAL LONG-TERM OBLIGATIONS none

Long-term obligations expected to be financed from governmental funds are accounted for in the general long-term obligation account group, not in the governmental funds.

The following is a summary of the long-term obligation transactions for (the last day of your fiscal year):

	Notes Payable	Compensated Absences	Capital Leases	Total
Long-term obligations payable at _____	\$ _____	\$ _____	\$ _____	\$ _____
Additions	_____	_____	_____	_____
Retirements	_____	_____	_____	_____
Long-term obligations payable at _____	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u>_____</u>

(Describe in detail the long-term obligations outstanding at fiscal year end. Include a discussion of notes payable as to amount, interest rates, purpose, maturity dates, installment amounts, etc.)

STATE OF LOUISIANA

Hearing Aid Dealers **BOARD/COMMISSION**

DEPARTMENT OF DHH

Notes to the Financial Statements (Continued)

As of and for the Year Ended 6/30/00

O. LITIGATION At 6/30/00, the Hearing Aid Dealers did not have any litigations or claims against them. No claims or litigation costs were incurred in the current year.

1. The _____ Board/Commission is a defendant in litigation seeking damages as follows:

Date of Action	Description of Litigation	Primary Attorney	Damages Claimed	Insurance Coverage
_____	_____	_____	\$ _____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
		Total	\$ <u>_____</u>	\$ <u>_____</u>

Of the amount not covered by insurance, \$ _____, the board/commission has recorded \$ _____ as a liability of the General Fund and \$ _____ as a general long-term liability, as required by GASB Codification Section C50.

The _____ Board/Commission's legal advisor estimates that potential claims not covered by insurance would affect the financial statement as follows (would not materially affect the financial statements or is unable to estimate the effect on the financial statement):

Claims and litigation costs of \$ _____ were incurred in the current year. Of this amount, \$ _____ has been recorded as a current year expenditure in the General Fund and \$ _____ has been recorded in the general long-term obligations account group as an obligation not requiring current resources.

P. RELATED PARTY TRANSACTIONS N/A

(FASB 57 requires disclosure of the description of the relationship, the transaction(s), the dollar amount of the transaction(s) and any amounts due to or from which result from related party transactions. List all related party transactions).

Q. ACCOUNTING CHANGES N/A

Accounting changes made during the year involved a change in accounting _____ (principle, estimate, error or entity). The effect of the change is being shown in _____.

R. FUND DEFICITS N/A

The following individual funds had deficits in unreserved fund balance at (the last day of the fiscal year):

STATE OF LOUISIANA

Hearing Aid Dealers **BOARD/COMMISSION**

DEPARTMENT OF DHH

Notes to the Financial Statements (Concluded)

As of and for the Year Ended 6/30/00

FUND	DEFICIT AMOUNT
_____	\$ _____
_____	_____
_____	_____

(Give management's response for elimination of the deficits).

S. ENCUMBRANCES N/A

(Describe the board/commission's uses of encumbrance accounting.)

T. SUBSEQUENT EVENTS N/A

(Disclose any material event(s) affecting the board/commission occurring between the close of the fiscal period and issuance of the financial statement).

STATE OF LOUISIANA
Hearing Aid Dealers **BOARD/COMMISSION**
SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS
For the Year Ended 6/30/00
(Fiscal Close)

<u>Name</u>	<u>Amount</u>
Hearing Aid Dealers Board members are not paid per diem. Only Actual Expenses.	
_____	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
Total	\$ _____

Schedule 1

STATE OF LOUISIANA
Hearing Aid Dealer BOARD/COMMISSION
SCHEDULE OF EXPENDITURES BY OBJECT
For the Year Ended 6/30/00
(Fiscal Close)

Expenditure	Amount
Personal services	\$ <u>8,700</u>
Travel	<u>3,287</u>
Operating services	<u>5,369</u>
Supplies	<u>1,451</u>
Professional services	<u>3,125</u>
Other charges	<u> </u>
Capital outlay	<u> </u>
Interagency transfers	<u> </u>
Debt service	<u> </u>
Total	\$ <u><u>21,932</u></u>

Schedule 2