

JOHNSTON, PERRY, JOHNSON & ASSOCIATES, L.L.P.

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November 10, 2008

To the Partners
Miller, Carpenter & Earnest

We have reviewed the system of quality control for the accounting and auditing practice of Miller, Carpenter & Earnest (the firm) in effect for the year ended May 31, 2008. A system of quality control encompasses the firm's organizational structure, the policies adopted and procedures established to provide it with reasonable assurance of conforming with professional standards. The elements of quality control are described in the Statements on Quality Control Standards issued by the American Institute of CPAs(AICPA). The firm is responsible for designing a system of quality control and complying with it to provide the firm reasonable assurance of conforming with professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance with its system of quality control based on our review.

Our review was conducted in accordance with standards established by the Peer Review Board of the AICPA. During our review, we read required representations from the firm, interviewed firm personnel and obtained an understanding of the nature of the firm's accounting and auditing practice, and the design of the firm's system of quality control sufficient to assess the risks implicit in its practice. Based on our assessments, we selected engagements and administrative files to test for conformity with professional standards and compliance with the firm's system of quality control. The engagements selected represented a reasonable cross-section of the firm's accounting and auditing practice with emphasis on higher-risk engagements. The engagements selected included among others, audits of Employee Benefit Plans. Prior to concluding the review, we reassessed the adequacy of the scope of the peer review procedures and met with firm management to discuss the results of our review. We believe that the procedures we performed provide a reasonable basis for our opinion.

In performing our review, we obtained an understanding of the system of quality control for the firm's accounting and auditing practice. In addition, we tested compliance with the firm's quality control policies and procedures to the extent we considered appropriate. These tests covered the application of the firm's policies and procedures on selected engagements. Our review was based on selected tests therefore it would not necessarily detect all weaknesses in the system of quality control or all instances of noncompliance with it. There are inherent limitations in the

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effectiveness of any system of quality control and therefore noncompliance with the system of quality control may occur and not be detected. Projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or because the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the system of quality control for the accounting and auditing practice of Miller, Carpenter & Earnest in effect for the year ended May 31, 2008, has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA and was complied with during the year then ended to provide the firm with reasonable assurance of conforming with professional standards.

As is customary in a system review, we have issued a letter under this date that sets forth comments that were not considered to be of sufficient significance to affect the opinion expressed in this report.

Johnston, Perry, Johnson & Associates, L.L.P.

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November 10, 2008

To the Partners
Miller, Carpenter & Earnest

We have reviewed the system of quality control for the accounting and auditing practice of Miller, Carpenter & Earnest (the firm) in effect for the year ended May 31, 2008, and have issued our report thereon dated November 10, 2008. That report should be read in conjunction with the comments in this letter, which were considered in determining our opinion. The matters described below were not considered to be of sufficient significance to affect the opinion expressed in that report.

Comment – The firm’s written quality control policies and procedures for independence, integrity and objectivity require the firm to document, in writing, its independence with its audit and accounting clients when required by professional standards. However, the policies do not specify the nature or format of such documentation. Consequently, we noted incomplete written documentation of firm independence when required by professional standards. However, we noted no instances where an inappropriate report was issued.

Recommendation – We recommend the firm’s quality control policies and procedures be revised to specify the nature and format of independence issues as required by professional standards. This may be accomplished by the use of practice aids in the firm’s library.

Comment – The firm’s quality control policies and procedures require that reports and financial statements comply with professional standards. However, we noted an instance where the format of specialized industry financial statements did not agree with professional standards. None of the deficiencies were of such significance as to require additional action by the firm.

Recommendation – The firm owners should carefully review the industry audit guides of industries the firm practices in to ensure its reports and financial statements meet professional standards.

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Comment – The firm’s policies and procedures require the firm to use standard audit programs that remind the firm to communicate to its audit client’s governing board all matters required by professional standards. However, we noted an instance where this communication was not documented in the firm’s work papers. This deficiency was not of such significance to require any additional action by the firm.

Recommendation – The firm should comply with its standard audit program and document its communication of all required matters to its audit client’s governing board.

Johnston, Perry, Johnson & Associates, L.L.P.

JOHNSTON, PERRY, JOHNSON & ASSOCIATES, L. L. P.
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MILLER, CARPENTER & EARNEST

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November 10, 2008

Society of Louisiana Certified Public Accountants
2400 Veterans Boulevard, Suite 500
Kenner, LA 70062

Ladies and Gentlemen-

This letter represents our response to the report and letter of comments issued in connection with the review of the firm's system of quality control for the accounting and auditing practice in effect for the year ended May 31, 2008. The matters discussed herein were brought to the attention of all personnel at a training session held on November 10, 2008. In addition, the matters discussed in this letter will be given special emphasis in our monitoring procedures.

Independence Documentation

All professional personnel were reminded of the importance of complying with the firm's policy of adequately documenting its independence with respect to its audit and accounting clients. We agree with the need to adequately document the firm's independence. The firm has subscribed to a publication that will provide access to an appropriate practice aid. The firm will require the use of this practice aid for documentation of independence in accordance with standards for all audit and accounting engagements.

Financial Statement Formatting

Professional personnel were instructed on the need to ensure that all reports and financial statements are in compliance with current professional standards. We agree with the peer review comment and will require all partners to review the current industry audit guides in order to ensure that all reports issued are accurate and in accordance with current standards.

Documenting the Required Communications to Those Charged with Governance

Professional personnel were reminded of the requirement for documenting the required communications with our client's governing boards. We will ensure that all required communications are made and adequately documented in the work papers.

We believe the actions noted above are responsive to the findings of the review.

We appreciate the time, efforts and constructive guidance of Mr. Perry in helping to ensure that the firm continues to provide accurate reports that comply, in all respects, with the high standards of our profession.

Very truly yours,


Miller, Carpenter & Earnest, CPA's (APC)