Johnson, Thomas & Cunningham

Certified Public Accountants

Eddie G. Johnson, CPA - A Professional Corporation (1927-1996)

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November 20, 2008

To the Owners
Hill, Inzina & Company

We have reviewed the system of quality control for the accounting and auditing practice of Hill, Inzina & Company (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, engagements performed under *Government Auditing Standards*. 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 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 Hill, Inzina & Company 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.

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November 20, 2008

To the Owners
Hill, Inzina & Company

We have reviewed the system of quality control for the accounting and auditing practice of Hill, Inzina & Company (the firm) in effect for the year ended May 31, 2008, and have issued our report thereon dated November 20, 2008. That report should be read in conjunction with the comments in this letter, which were considered in determining our opinion. The matters discussed below were not considered to be of sufficient significance to affect the opinion expressed in that report.

Comment-The firm's quality control policies and procedures require the completion of a financial reporting and disclosure checklist on each financial statement engagement. Our review disclosed instances in which inappropriate answers were used on this checklist. In these instances there were the following missing or incomplete disclosures:

- Failure to present a portion of the fund balance of a governmental entity as reserved for debt retirement.
- Failure to reference *Government Auditing Standards* in an accountant's report which was subject to such standards.
- Failure to refer the reader to the accountant's report.

None of the missing or incomplete disclosures represented significant departures from professional standards.

Recommendation-The firm should carefully review the completion of the financial reporting and disclosure checklist on financial statement engagements.

Johnson, Thomas & Cunningham

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HILL, INZINA & COMPANY

VIA FAX

November 25, 2008

Mark D. Thomas
Johnson, Thomas & Cunningham
321 Bienville Street
Natchitoches, LA 71457

Mark:

This letter represents our response to the report and letter of comments issued in connection with the review of our 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 our attention on November 20, 2008 by you during your review.

Financial Reporting and Disclosure Checklists - All professional personnel were reminded of the importance of reviewing financial statements prior to issuance for completeness of disclosures. The instances noted in the letter of comment were strictly due to oversight and should not reoccur.

We believe these actions are responsive to the findings of the review.

Sincerely,

HILL, INZINA & CO.

Cindy I. Haynes

Cindy I. Haynes, C.P.A.

Cih/s

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