Here are the most interesting and noteworthy aspects of the **City of Monessen's 1994 Single Audit**:

---

1. Clean Audit with No Material Weaknesses or Questioned Costs

- **No material weaknesses** were found in the city's internal control structure.
- **No reportable noncompliance** was identified regarding federal financial assistance or general financial reporting.
- **No questioned costs** were reported — a very rare and positive outcome in municipal audits.

---

2. Major Reliance on Federal Funds

- Monessen spent **over 80% (80.62%)** of its federal assistance on **major programs**, particularly **Community Development Block Grants (CDBG)**.
- This indicates **strong reliance on federal grants** for operations or development.

---

3. Lack of Fixed Asset Valuation System

- The city **did not have an annual industrial appraisal report** to properly value fixed assets.
- While not classified as a material weakness, the auditors **recommended action**, suggesting this was a vulnerability in financial reporting and long-term capital planning.

---

4. Full Resolution of Prior Findings

- The report explicitly states that **all prior year audit findings were corrected**, showing that the city took corrective actions seriously and improved compliance over time.

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5. Extensive Audit Scope

The audit was comprehensive and followed **OMB Circular A-128** requirements, covering:

- Financial statements
- Internal control structure
- General compliance
- Major and nonmajor federal program compliance
  This reflects good governance and effort to remain eligible for federal funds.

CITY OF MONESSEN
WESTMORELAND COUNTY, PENNSYLVANIA

SINGLE AUDIT

DECEMBER 31, 1994

CITY OF MONESSEN
SINGLE AUDIT

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The Honorable Mayor and
Members of Council
City of Monessen
Monessen, Pennsylvania 15062

We have performed the Single Audit of the City of Monessen for the year ended December 31, 1994, and have enclosed the Single Audit reporting package.

The single audit was done to fulfill the requirements of OMB Circular A-128. It entailed: 1. an audit of the general purpose financial statements and our opinion thereon; 2. an examination of the schedule of federal financial assistance and our opinion thereon; 3. a review of the internal control structure based solely on the understanding obtained as part of the audit of the general purpose financial statements; 4. a review of the internal control structure made as a part of the audit of the federal financial assistance programs; 5. a review of compliance based on an audit of the general purpose financial statements in accordance with Government Auditing Standards; and 6. a review of compliance with laws and regulations related to the federal financial assistance programs and our opinion thereon.

As part of our report, we have enclosed a Management Letter.

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Greensburg, Pennsylvania
June 22, 1995

CITY OF MONESSEN

- LIST OF REPORT DISTRIBUTION -

- City of Monessen - Ten copies of the Single Audit Report Package.
- County of Westmoreland, Planning Department, 601 Courthouse Square, Greensburg, Pennsylvania 15601, ATTN: Mr. Andrew Jonczak - One copy of the Single Audit Report Package.
- Commonwealth of Pennsylvania, Office of the Budget, Bureau of Audits, 303 Walnut Street, Bell Tower - Strawberry Square, 6th Floor, Harrisburg, Pennsylvania 17101 - Five copies of the Single Audit Report package.
- Bureau of the Census, Data Preparation Division, 1201 East 10 Street, Jeffersonville, Indiana 47132, ATTN: Single Audit Clearing House - One copy of the Single Audit Report Package.

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MANAGEMENT LETTER

The Honorable Mayor and
Members of Council
City of Monessen
100 Third Street
Monessen, Pennsylvania 15062

We have audited the general purpose financial statements of the City of Monessen, Pennsylvania for the year ended December 31, 1994, and have issued our report thereon dated June 22, 1995.

We conducted our audit in accordance with generally accepted auditing standards and "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 general purpose financial statements are free of material misstatement.

In planning and performing our audit of the general purpose financial statements of the City of Monessen, Pennsylvania for the year ended December 31, 1994, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control structure.

The management of the City of Monessen, Pennsylvania is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in condition or that the effectiveness of the design and operation of policies and procedures may deteriorate.

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AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

We obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

However, we noted certain matters involving the internal control structure and its operation that we feel should be mentioned. These are as follows:

General Purpose Financial Statements

Finding: It was noted that the City does not have an annual industrial appraisal report to value their fixed assets.

Recommendation: It is recommended that the City make plans to have an appraisal report done as soon as possible.

We do not consider the above item to be a material weakness in the design or operation of the internal control structure.

This information is intended solely for the information of the City of Monessen. This restriction, however, is not intended to limit the distribution of this report, which is a matter of public record.

Sarp & Company

Sarp & Company
CERTIFIED PUBLIC ACCOUNTANTS

Greensburg, Pennsylvania
June 22, 1995

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Mayor and
Members of Council
City of Monessen
100 Third Street
Monessen, Pennsylvania 15062

We have audited the general purpose financial statements of the City of Monessen, Pennsylvania for the year ended December 31, 1994, and have issued our report thereon dated June 22, 1995.

We conducted our audit in accordance with generally accepted auditing standards and "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 general purpose financial statements are free of material misstatement.

In planning and performing our audit of the general purpose financial statements of the City of Monessen, Pennsylvania, for the year ended December 31, 1994, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control structure.

The management of the City of Monessen, Pennsylvania, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

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AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

We obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk. We also performed tests of controls to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing and detecting irregularities that are material to the general purpose financial statements, and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the general purpose financial statements. Our tests were less in scope than would be necessary to render an opinion on internal control structure policy and procedures. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operations that we consider to be material weaknesses as defined above.

However, we noted certain matters involving the internal control structure and its operation that we have reported to the management of the City of Monessen, Pennsylvania in a separate letter dated June 22, 1995.

This report is intended for the information of management, the U.S. Department of Housing and Urban Development, and other federal and state audit agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Sarp & Company

Sarp & Company
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Greensburg, Pennsylvania
June 22, 1995

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Mayor and
Members of Council
City of Monessen
100 Third Street
Monessen, Pennsylvania 15062

We have audited the general purpose financial statements of the City of Monessen, Pennsylvania as of and for the year ended December 31, 1994, and have issued our report thereon dated June 22, 1995.

We conducted our audit in accordance with generally accepted auditing standards, "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 general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the City of Monessen, Pennsylvania is the responsibility of the City of Monessen, Pennsylvania's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the City's compliance with certain provisions of laws, regulations, contracts, and grants. However, our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

Reportable noncompliance findings consist of irregularities and illegal acts that are not clearly inconsequential and instances of other noncompliance that are material to the financial statements. Irregularities are intentional misstatements or omissions of amounts or disclosures in financial statements. Illegal acts are violations of laws and regulations. Instances of other noncompliance include failures to follow requirements or violations of prohibitions contained in contracts or grant agreements that cause us to conclude that the aggregation of the misstatements resulting from those failures or violations is material to the financial statements. The results of our tests of compliance disclosed no reportable noncompliance findings.

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We noted no immaterial instances of noncompliance.

This report is intended for the information of management, the U.S. Department of Housing and Urban Development, and other federal and state audit agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Sarp & Company

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June 22, 1995

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INDEPENDENT AUDITORS' REPORT ON SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

The Honorable Mayor and
Members of Council
City of Monessen
100 Third Street
Monessen, Pennsylvania 15062

We have audited the general purpose financial statements of the City of Monessen, Pennsylvania for the year ended December 31, 1994, and have issued our report thereon dated June 22, 1995. These general purpose financial statements are the responsibility of the City of Monessen, Pennsylvania's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, "Government Auditing Standards," issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the City of Monessen, Pennsylvania taken as a whole. The accompanying schedule of federal financial assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

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Greensburg, Pennsylvania
June 22, 1995

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Program or Award Amount	Total Received for the Year	Accrued or (Deferred) Revenue at 12/31/93	Revenue Recognized	Expenditures	Accrued or (Deferred) Revenue at 12/31/94
$ 422,484	$ 20,419	$ 0	$ 20,419	* $ 20,419	$ 0
381,898	138,642	0	138,642	* 138,642	0
330,789	139,008	0	139,008	* 139,008	0
333,778	47,000	6,863	40,137	* 40,137	0
303,763	0	0	0	0	0
314,046	0	0	0	0	0
2,086,758	345,069	6,863	338,206	338,206	0
81,321	81,321	0	81,321	81,321	0
$2,168,079	$426,390	$6,863	$419,527	$419,527	$ 0

Calculation of the 50% Rule: Program Selected		Expenditures
CFDA Number: 14.228		
Pass Through Grantor Number:		
	S-94-E-06-5-2	$ 20,419
	S-93-E-06-5-2	138,642
	S-92-E-06-5-2	139,008
	S-91-E-06-5-2	40,137
	S-90-E-06-5-2	0
	S-89-E-06-5-2	0
Net Federal Expenditures for Programs Tested		338,206
TOTAL FEDERAL EXPENDITURES		$419,527

$338,206/419,527 = 80.62%

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INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL STRUCTURE IN ACCORDANCE WITH OMB CIRCULAR A-128

The Honorable Mayor and
Members of Council
City of Monessen
100 Third Street
Monessen, Pennsylvania 15062

We have audited the general purpose financial statements of the City of Monessen, Pennsylvania as of and for the year ended December 31, 1994, and have issued our report thereon dated June 22, 1995. We have also audited the compliance of the City of Monessen, Pennsylvania with requirements applicable to major federal financial assistance programs and have issued our report thereon dated June 22, 1995.

We conducted our audits in accordance with generally accepted auditing standards; "Government Auditing Standards," issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement and about whether the City of Monessen, Pennsylvania complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing our audits for the year ended December 31, 1994, we considered the internal control structure of the City of Monessen, Pennsylvania in order to determine our auditing procedures for the purpose of expressing our opinions on the general purpose financial statements of the City of Monessen, Pennsylvania and on the compliance of the City of Monessen, Pennsylvania with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated June 22, 1995.

The management of the City of Monessen, Pennsylvania is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that

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transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

Activity Cycles

- Treasury or financing
- Revenue/receipts
- Purchases/disbursements
- External financial reporting
- Payroll/personnel

Financial Statement Captions

- Cash and cash equivalents
- Receivables
- Inventory
- Property and equipment
- Payables and accrued liabilities
- Debt
- Fund balance

Accounting Applications

- Billings
- Receivables
- Cash receipts
- Purchasing and receiving
- Accounts payable
- Cash disbursements
- Payroll
- Inventory control
- Property and equipment
- General ledger

General Requirements

- Political activity
- Davis-Bacon Act

- o Civil rights
- o Cash management
- o Relocation assistance and real property acquisition
- o Federal financial reports
- o Allowable costs/cost principles
- o Drug-free workplace
- o Administrative requirements

Specific Requirements

- o Types of services
- o Eligibility
- o Matching, level of effort, and earmarking
- o Reporting
- o Claims for advances and reimbursements

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended December 31, 1994, the City of Monessen, Pennsylvania expended 80.62 percent of its total federal financial assistance under major federal financial assistance programs.

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to each of the City of Monessen, Pennsylvania's major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

However, we noted other matters involving the internal control structure and its operation that we have reported to the management of the City of Monessen, Pennsylvania in a separate letter dated June 22, 1995.

This report is intended for the information of management, the U.S. Department of Housing and Urban Development, and other federal and state audit agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Sarp & Company

Sarp & Company
CERTIFIED PUBLIC ACCOUNTANTS

Greensburg, Pennsylvania
June 22, 1995

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH THE GENERAL REQUIREMENTS APPLICABLE TO FEDERAL FINANCIAL ASSISTANCE PROGRAMS

The Honorable Mayor and
Members of Council
City of Monessen
100 Third Street
Monessen, Pennsylvania 15062

We have audited the general purpose financial statements of the City of Monessen, Pennsylvania as of and for the year ended December 31, 1994, and have issued our report thereon dated June 22, 1995.

We have applied procedures to test the City of Monessen, Pennsylvania's compliance with the following requirements applicable to its nonmajor federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended December 31, 1994:

Administrative Controls:
General Requirements:

- o Political activity
- o Davis-Bacon Act
- o Civil rights
- o Cash management
- o Relocation Assistance and real property acquisition
- o Federal financial reports
- o Allowable costs/cost principles
- o Drug free workplace
- o Administrative requirements

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's "Compliance Supplement for Single Audits of State and Local Governments." Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City of Monessen, Pennsylvania's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the City of Monessen, Pennsylvania, had not complied, in all material respects, with those requirements.

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We noted no immaterial instances of noncompliance.

This report is intended for the information of management, the U.S. Department of Housing and Urban Development, and other federal and state audit agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Sarp & Company

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Greensburg, Pennsylvania
June 22, 1995

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS

The Honorable Mayor and
Members of Council
City of Monessen
100 Third Street
Monessen, Pennsylvania 15062

We have audited the general purpose financial statements of the City of Monessen, Pennsylvania as of and for the year ended December 31, 1994, and have issued our report thereon dated June 22, 1995.

We have also audited the City of Monessen, Pennsylvania's compliance with the requirements governing types of services allowed or not allowed; eligibility; matching, level of effort, or earmarking; reporting; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance, for the year ended December 31, 1994. The management of the City of Monessen, Pennsylvania is responsible for the City of Monessen, Pennsylvania's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance with those requirements in accordance with generally accepted auditing standards; "Government Auditing Standards," issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the City of Monessen, Pennsylvania's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

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

MEMBER: PENNSYLVANIA INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

In our opinion, the City of Monessen, Pennsylvania complied, in all material respects, with the requirements governing types of services allowed or not allowed; or unallowed; eligibility; matching, level of effort, or earmarking; reporting; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs for the year ended December 31, 1994.

This report is intended for the information of management, the U.S. Department of Housing and Urban Development, and other federal and state audit agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

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June 22, 1995

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS

The Honorable Mayor and
Members of Council
City of Monessen
100 Third Street
Monessen, Pennsylvania 15062

We have audited the general purpose financial statements of the City of Monessen, Pennsylvania as of and for the year ended December 31, 1994, and have issued our report thereon dated June 22, 1995.

In connection with our audit of the general purpose financial statements of the City of Monessen, Pennsylvania and with our consideration of the City of Monessen, Pennsylvania's control structure used to administer federal financial assistance programs, as required by Office of Management and Budget Circular A-128, "Audits of State and Local Governments," we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended December 31, 1994.

As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed and eligibility that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City of Monessen, Pennsylvania compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the City of Monessen, Pennsylvania, had not complied, in all material respects, with those requirements.

We noted no immaterial instances of noncompliance.

MEMBER: PENNSYLVANIA INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

This report is intended for the information of management, the U.S. Department of Housing and Urban Development, and other federal and state audit agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Sarp & Company

Sarp & Company
CERTIFIED PUBLIC ACCOUNTANTS

Greensburg, Pennsylvania
June 22, 1995

CITY OF MONESSEN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 1994

Program	Finding/Noncompliance	Questioned Costs
NONE	NONE	NONE

CITY OF MONESSEN
RESPONSE AND CORRECTIVE ACTION PLAN FOR EACH
FINDING AND ANY WEAKNESS DISCLOSED WITHIN THE REPORT
FOR THE YEAR ENDED DECEMBER 31, 1994

NONE REQUIRED

CITY OF MONESSEN
REPORT ON STATUS OF PRIOR YEAR
COMPLIANCE FINDINGS AND INTERNAL CONTROL WEAKNESSES
FOR THE YEAR ENDED DECEMBER 31, 1994

All prior year audit findings have been corrected by the City of Monessen.