Coopers & Lybrand L.L.P.

a professional services firm

FORT WORTH MUSEUM OF SCIENCE AND HISTORY

REPORTS ON FEDERAL AWARDS PROGRAM for the year ended September 30, 1994

REPORT OF INDEPENDENT ACCOUNTANTS
ON SCHEDULE OF FEDERAL AWARDS

Board of Directors
Fort Worth Museum of Science and History
Fort Worth, Texas

We have audited the financial statements of the Fort Worth Museum of Science and History (the "Museum") for the year ended September 30, 1994, and have issued our report thereon dated December 20, 1994. These financial statements are the responsibility of the Museum's Management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic 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 made for the purpose of forming an opinion on the basic financial statements of the Museum taken as a whole. The accompanying Schedule of Federal Awards is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information in that Schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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Coopers & Lybrand LLP

Fort Worth, Texas
December 20, 1994

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FORT WORTH MUSEUM OF S
SCHEDULE OF FEDE
for the year ended Sept

Federal Grantor/Passthrough Grantor/ Program Title	Federal CFDA Number	Grant Period	Grant Amount	--
Nonmajor programs:				
Department of Energy/Energy Work Lab	81.050	12/15/93 to 8/14/95	\$67,000	--
			<u>\$67,000</u>	<u>=</u>
Total federal awards			<u>\$67,000</u>	<u>=</u>

SCIENCE AND HISTORY
 GRANT AWARDS
 September 30, 1994

Balances at September 30, 1994					
<u>Grant Revenue</u>	<u>Grant Expenditures</u>	<u>Cash Receipts</u>	<u>Unrequested Available Funds</u>	<u>Expenditures Not Yet Requested/ Reimbursed</u>	<u>Deferred Revenue</u>
\$53,048	\$53,048		\$13,952	\$53,048	
<u>\$53,048</u>	<u>\$53,048</u>		<u>\$13,952</u>	<u>\$53,048</u>	

REPORT OF INDEPENDENT ACCOUNTANTS
ON THE INTERNAL CONTROL STRUCTURE BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

Board of Directors of
Fort Worth Museum of Science and History
Fort Worth, Texas

We have audited the financial statements of the Fort Worth Museum of Science and History (the "Museum") as of and for the year ended September 30, 1994, and have issued our report thereon dated December 20, 1994.

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 financial statements are free of material misstatement.

In planning and performing our audit of the financial statements of the Museum for the year ended September 30, 1994, we considered its internal control structure 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 structure.

The management of the Museum 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 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 in the following categories:

- . Cash and cash equivalents,
- . Investments,
- . Receivables,
- . Property and equipment,
- . Accounts payable and accrued liabilities,
- . Deferred revenue,
- . Fund balances.

For all of the internal control structure categories listed above, 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 internal control structure elements does not reduce to a relatively low level the risk that errors or 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.

This report is intended for the information of the Board of Directors, management, and the concerned governmental agencies. However, this report is also a matter of public record and its distribution is not limited.

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Fort Worth, Texas
December 20, 1994

REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE
WITH LAWS, REGULATIONS, CONTRACTS AND GRANTS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors of
Fort Worth Museum of Science and History
Fort Worth, Texas

We have audited the financial statements of the Fort Worth Museum of Science and History (the "Museum") as of and for the year ended September 30, 1994, and have issued our report thereon dated December 20, 1994.

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 financial statements are free of material misstatement.

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

The results of our tests indicate that, with respect to the items tested, the Museum complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the Museum had not complied, in all material respects, with those provisions.

This report is intended for the information of the Board of Directors, management, and the concerned governmental agencies. However, this report is a matter of public record and its distribution is not limited.

Coopers & Lybrand LLP

Fort Worth, Texas
December 20, 1994

REPORT OF INDEPENDENT ACCOUNTANTS
ON THE INTERNAL CONTROL STRUCTURE
USED IN ADMINISTERING FEDERAL AWARDS

Board of Directors
Fort Worth Museum of Science and History
Fort Worth, Texas

We have audited the financial statements of the Fort Worth Museum of Science and History (the "Museum"), as of and for the year ended September 30, 1994, and have issued our report thereon dated December 20, 1994.

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-133, Audits of Institutions of Higher Education and Other Nonprofit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and about whether the Museum complied with laws and regulations, noncompliance with which would be material to a federal program.

In planning and performing our audit for the year ended September 30, 1994, we considered the Museum's internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the Museum's financial statements and to report on the internal control structure in accordance with OMB Circular A-133. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal programs. We have addressed policies and procedures relevant to our audit of the financial statements in a separate report dated December 20, 1994.

The management of the Museum 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 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, and that federal awards 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 programs in the following categories:

- . Cash and cash equivalents,
- . Investments,
- . Receivables,
- . Property and equipment,
- . Accounts payable and accrued liabilities,
- . Deferred revenue,
- . Fund balances.

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 September 30, 1994, the Museum had no major programs and expended 100 percent of its total federal awards under the Department of Energy's Work Lab nonmajor program.

We performed tests of controls, as required by OMB Circular A-133, 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 the aforementioned nonmajor program. 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.

Our consideration of the internal control structure policies and procedures used in administering federal awards would not necessarily disclose all matters in the internal control structure that might constitute 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 noncompliance with laws and regulations that would be material to a federal awards program 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.

This report is intended for the information of the Board of Directors, management and the Department of Energy. However, this report is also a matter of public record and its distribution is not limited.

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Fort Worth, Texas
December 20, 1994

REPORT OF INDEPENDENT ACCOUNTANTS ON
COMPLIANCE WITH GENERAL REQUIREMENTS

Board of Directors
Fort Worth Museum of Science and History
Fort Worth, Texas

We have audited the financial statements of the Fort Worth Museum of Science and History (the "Museum") as of and for the year ended September 30, 1994, and have issued our report thereon dated December 20, 1994.

We have applied procedures to test the Museum's compliance with the following requirements applicable to its federal program, which is identified in the accompanying Schedule of Federal Awards for the year ended September 30, 1994:

- . Political activity
- . Civil Rights
- . Cash management
- . Federal financial reports
- . Allowable costs/cost principles
- . Drug-free workplace
- . Administrative requirements

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's (OMB) Compliance Supplement for Audits of Institutions of Higher Education and Other Nonprofit Organizations. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Museum'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 our 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 Museum has not complied, in all material respects, with those requirements. The results of our procedures disclosed immaterial instances of noncompliance with the requirements referred to above that we have communicated to the management of the Museum in a separate letter dated December 20, 1994.

This report is intended for the information of the Board of Directors, management, and the Department of Energy. However, this report is a matter of public record and its distribution is not limited.

Coopers & Lybrand LLP

Fort Worth, Texas
December 20, 1994

REPORT OF INDEPENDENT ACCOUNTANTS ON
COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE
TO NONMAJOR PROGRAM TRANSACTIONS

Board of Directors
Fort Worth Museum of Science and History
Fort Worth, Texas

We have audited the financial statements of the Fort Worth Museum of Science and History (the "Museum") as of and for the year ended September 30, 1994, and have issued our report thereon dated December 20, 1994.

In connection with our audit of the financial statements of the Museum and with our consideration of the Museum's internal control structure used to administer federal programs, as required by Office of Management and Budget (OMB) Circular A-133, Audits of Institutions of Higher Education and Other Nonprofit Organizations, we selected certain transactions applicable to certain nonmajor federal programs for the year ended September 30, 1994. As required by OMB Circular A-133, we performed auditing procedures to test compliance with the requirements governing types of services allowed or not allowed; eligibility; matching; reporting; financial reports and claims for advances and reimbursements; and amounts claimed or used for matching 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 Museum's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of our 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 Museum had not complied, in all material respects, with those requirements. However, we noted certain immaterial instances of noncompliance that we have communicated to the management of the Museum in a separate letter dated December 20, 1994.

This report is intended for the information of the Board of Directors, management and the Department of Energy. However, this report is a matter of public record and its distribution is not limited.

Coopers & Lybrand LLP

Fort Worth, Texas
December 20, 1994