

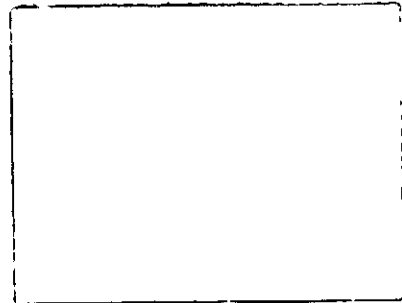
6249

LOUISIANA COUNCIL FOR ECONOMIC EDUCATION

COMPILED FINANCIAL STATEMENTS

RECEIVED
LEGISLATIVE AUDITOR
04 DEC 28 PM 12:06

FOR THE YEAR ENDED JUNE 30, 2004



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 1-26-05

TERENCE P. BRADFORD, SR.
CERTIFIED PUBLIC ACCOUNTANT

TABLE OF CONTENTS

	PAGE
ACCOUNTANT'S REPORT.....	1
STATEMENT OF FINANCIAL POSITION.....	2
STATEMENT OF ACTIVITIES.....	3
STATEMENT OF FUNCTIONAL EXPENSES.....	4
STATEMENT OF CASH FLOWS	5
NOTES TO FINANCIAL STATEMENTS.....	6-8

TERENCE P. BRADFORD, SR., MBA, CPA

11246 Asphodel Dr. New Orleans, La. 70128

(504) 244-8512 (504) 244-7642 Fax TBRADCPA@MSN.COM

ACCOUNTANT'S REPORT

To The Board of Directors of the
Louisiana Council For Economic Education
Baton Rouge, La.

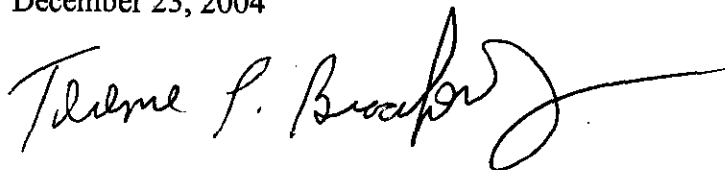
I have compiled the accompanying statement of financial position of the Louisiana Council for Economic Education (LCEE) as of June 30, 2004, and the statements of activities, functional expenses and cash flows for the year then ended, in accordance with Statement on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statements have been prepared on the accrual basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the Louisiana Government Audit Guide and the provisions of state law, I have issued a report, dated December 23, 2004 on the results of our agreed-upon procedures.

Terence P. Bradford, Sr.
Certified Public Accountant

December 23, 2004



LOUISIANA COUNCIL for ECONOMIC EDUCATION
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2004

ASSETS

Cash	\$ 26,222
Furniture and Equipment (net of accumulated depreciation)	7,644
Prepaid Expense	<u>176</u>
Total Assets	<u>\$ 34,042</u>

LIABILITY

Loan Payable	\$ 26,435
--------------	-----------

NET ASSETS

Unrestricted	<u>7,608</u>
Total Liabilities and Net Asset	<u>\$ 34,042</u>

See accompanying notes and accountants report.

LOUISIANA COUNCIL for ECONOMIC EDUCATION
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2004

	<u>Unrestricted</u>
REVENUES, AND OTHER SUPPORT	
Contributions	\$ 65,038
Grant	77,601
Program Fees	<u>18,961</u>
TOTAL REVENUES, AND OTHER SUPPORT	<u>161,600</u>
EXPENSES	
Program Services	120,588
Supporting Services	<u>31,688</u>
TOTAL EXPENSES	152,276
CHANGE IN NET ASSETS	9,324
NET ASSETS AT BEGINNING OF YEAR	
As previously reported	35,852
Adjustment for overstatement of Revenues	(37,568)
NET ASSETS AT END OF YEAR	<u>\$ 7,608</u>

See accompanying notes and accountants report.

LOUISIANA COUNCIL for ECONOMIC EDUCATION
 STATEMENT OF FUNCTIONAL EXPENSES
 Year Ended June 30, 2004

	Program Service	Supporting Services Mangement & General	Report Total
Salary Expense	\$ 65,550		\$ 65,550
Operating Expense		10,945	10,945
Car Expense		541	541
Rent Expense		12,259	12,259
Travel		3,007	3,007
Miscellaneous		153	153
Meetings	4,190	3,922	8,112
Equipment		360	360
Stock Market Game	6,608		6,608
Coordinator Salary	14,108		14,108
Depreciation Expense		500	500
Workshop Expense	30,132		30,132
Travel			-
Total Functional Expenses	\$ 120,588	31,688	\$ 152,276

LOUISIANA COUNCIL for ECONOMIC EDUCATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2004

Cash Flows from Operating Activities:

Change in net assets	\$	9,324
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation		500
Decrease in operating assets:		
Prepaid expenses		176
Increase (decrease) in operating liabilities:		
Debt payable		(2,678)
Net Cash used in operating activities	\$	7,322

Cash Flows from Financing Activities:

Purchase Equipment		(10,440)
Net Cash Provided by Financing Activities		(10,440)
Net Increase in Cash and Cash Equivalents		(3,118)
Cash at Beginning of Year		29,340
Cash at End of Year	\$	<u>26,222</u>

See accompanying notes and accountants report.

Louisiana Council for Economic Education

Notes To The Financial Statements

Note 1-Background:

Louisiana Council for Economic Education (LCEE) is a not-for-profit organization located in Baton Rouge, La. LCEE 's mission is to provide teachers with easily understandable instruction in useful economic concepts and analytical tools, and improve teacher and school access to Economics America's economic education instructional materials. Results of these activities will help prepare K-12 students to meet the economic benchmarks in the Louisiana Social Studies Content Standards and to become productive members of the workforce, responsible citizens, knowledgeable consumers, prudent savers and investors, effective participants in the global economy, and competent decision makers throughout their lives.

Note 2-Summary of Significant Accounting Policies:

Income Taxes

LCEE is exempt from paying corporate income taxes under Section 501(c) (3) of the Internal Revenue Code.

Basis of Accounting

The accompanying financial statements are presented using the accrual basis of accounting.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No.117, LCEE is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, LCEE considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Donated Property and Equipment

Donations of property and equipment are recorded as contributions at their estimated fair value at the date of donation. Such donations are reported as increases in unrestricted net assets unless the donor has restricted the donated asset to a specific purposes. The assets donated to LCEE were donated without restriction.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Note 3- Furniture and Equipment

Furniture was donated to LCEE and recorded at it's estimated fair value. The estimated value of the donated asset was \$6,352, and contributed revenue was credited. In addition assets include equipment purchased in 2004. Furniture and equipment consisted of the following at June 30, 2004:

Furniture and equipment	\$6,352
Equipment Purchased in 2004	2,792
Less: Accumulated depreciation	<u>(1,500)</u>
Total	<u>\$7,644</u>

Note 4- Education Grant:

The grant received from the State Department of Economic Development by LCEE provides funds for administrative, operational, and instructional services to help facilitate the planning, coordination, and performance of statewide economic education activities of the Louisiana Council for Economic Education office and the eight university and college based Centers for Economic Education.

Note 5- Contingency

LCEE is a recipient of the Economic Education grant awarded by the Louisiana Department of Economic Development. This grant is governed by the State awarding agency.

The administration of this grant is under the control of LCEE and is subject to an audit and/or a review by the Legislative Auditor. Any funds found to be not properly spent in accordance with the terms and conditions of the grant may be subject to recapture.

Note 6 -Program Fees

Program fees consist of fees charged for workshops and seminars LCEE sponsors to teach math and economic concepts to teachers and students in grades 4 to 12. Information is mailed to public and non-public schools prior to the start of school.

Note 7- Loan Payable

Loan payable consist of a \$32,250 non-interest bearing loan made to LCEE by an former employee (Nancy Sidener) in 2002. LCEE makes quarterly payments to Ms.Sidener, to date \$5,816 as been repaid.

Note 8-Prior Period Adjustments

Net assets at the beginning of 2004 have been adjusted for a overstatement of revenue recognized in error in prior years. The correction has no effect on the results of the current year's activities; however, the cumulative effect decreases net assets by \$37,568.

TERENCE P. BRADFORD, SR., MBA, CPA

11246 Asphodel Dr. New Orleans, La. 70128

(504) 244-8512 (504) 244-7642 Fax TBRADCPA@COX.NET

*Independent Accountant's Report
on Applying Agreed-Upon Procedures*

To the Board of Directors of the Louisiana Council For Economic Education

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Louisiana Council For Economic Education (LCEE), the Legislative Auditor, State of Louisiana, and applicable state grantor agency/agencies solely to assist the users in evaluating management's assertions about LCEE's compliance with certain laws and regulations during the year ended June 30, 2004 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Federal, State, and Local Awards

- Determine the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

Louisiana Council For Economic Education State award expenditures for all State programs for the fiscal year follow:

Federal Grant Name	Grant Year	CFDA No.	Amount
Department of Economic Development:			
<u>Economic Education Grant</u>	2004	N/A	\$77,601
Total Expenditures			\$77,601

- For each Federal, state, and local award, we randomly selected 9 disbursements from each award administered during the period under examination, provided that no more than 30 disbursements would be selected.

3. For the items selected in procedure 2, I traced the nine disbursements to supporting documentation as to proper amount and payee.

We examined supporting documentation for each of the nine selected disbursements and found that payment was for the proper amount and made to the correct payee.

4. For the items selected in procedure 2, I determined if the nine disbursements were properly coded to the correct fund and general ledger account. No exceptions were noted.
5. For the items selected in procedure 2, I determined whether the nine disbursements received approval from proper authorities.

Inspection of documentation supporting each of the nine selected disbursements indicated approvals from the treasurer and the executive director.

State Awards

6. For the items selected in procedure 2: For State awards, I determined whether the disbursements complied with the applicable specific program compliance requirements summarized in *the Compliance Supplement* (or contained in the grant agreement, if the program is not included in the *Compliance Supplement*) and for state and local awards, I determined whether the disbursements complied with the grant agreement, relating to:

Activities allowed or unallowed:

I reviewed the listed disbursements for types of services allowed or not allowed. No exceptions were noted.

Eligibility

I reviewed the listed disbursements for eligibility requirements. No exceptions were noted.

Reporting

I reviewed the listed disbursements for reporting requirements. For the programs selected for testing in item (2) that had been closed out during the period under review, I compared the close-out report, when required, with the entity's financial records to determine whether the amounts agree. The disbursements selected did not include any programs that were closed out during the period of my review.

Meetings

7. I examined evidence indicating that agendas for meetings recorded in the minute book were posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law).

LCEE is only required to post a notice of each meeting and the accompanying agenda on the door of the LCEE's office building. Management has asserted that such documents were properly posted, I reviewed a copy of the notice and agenda that is posted to the office building.

Comprehensive Budget

8. For all grants exceeding five thousand dollars, I determined that each applicable federal, state, or local grantor agency/agency was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

LCEE provided comprehensive budgets to the applicable state grantor agencies for the programs mentioned previously. These budgets specified the anticipated uses of the

funds, estimates of the duration of the projects, and plans showing specific goals and objectives that included measures of performance.

Prior Comments and Recommendations

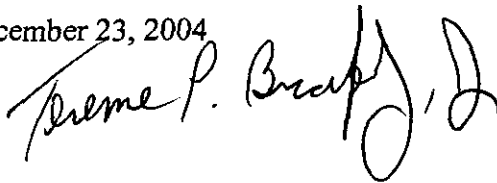
9. There were no prior year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of LCEE, the Legislative Auditor (State of Louisiana), and the applicable state grantor agency/agencies and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Terence P. Bradford, Sr.
CERTIFIED PUBLIC ACCOUNTANT

December 23, 2004

A handwritten signature in black ink, appearing to read "Terence P. Bradford, Sr.", written in a cursive style.

**LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Entities)**

October 31, 2004 (Date Transmitted)

Terence P. Bradford, Sr., CPA

11246 Asphodel Dr

New Orleans, La. 70128

(Auditors)

In connection with your compilation of my financial statements as of June 30, 2004 and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of October 31, 2004.

Federal, State, and Local Awards

We have detailed for you the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes [] No []

All transactions relating to federal, state, and local grants have been properly recorded within my accounting records and reported to the appropriate state, federal, and grantor officials.

Yes [] No []

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes [] No []

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes [] No []

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Yes [] No []

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes [] No []

Prior Year Comments

I have resolved all prior-year recommendations and/or comments. N/A

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance which may occur up to the date of your report.

Secretary _____ Date

Treasurer _____ Date

[Signature] _____
President *11/29/04* _____ Date