

5965

RECEIVED  
LEGISLATIVE AUDITOR  
05 JAN -3 AM 9:18

**Louisiana Association of Museums  
Baton Rouge, Louisiana  
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.

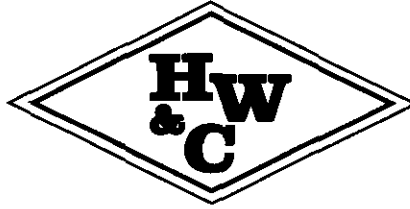
Release Date 2/2/05

## Table of Contents

Accountant's Compilation Report	Page	3
Financial Statements		
Statement of Assets and Net Assets - Modified Cash Basis	Page	4
Statement of Revenue and Expenses - Modified Cash Basis	Page	5
Statement of Cash Flows - Modified Cash Basis	Page	6
Notes to Financial Statements	Page	7
Agreed-Upon Procedures	Page	9
Louisiana Attestation Questionnaire	Page	12

HAWTHORN, WAYMOUTH & CARROLL, L.L.P.

J. CHARLES PARKER, C.P.A.  
LOUIS C. MCKNIGHT, III, C.P.A.  
ANTHONY J. CRISTINA, III, C.P.A.  
CHARLES R. PEVEY, JR., C.P.A.  
DAVID J. BROUSSARD, C.P.A.



CERTIFIED PUBLIC ACCOUNTANTS

8555 UNITED PLAZA BLVD., SUITE 200  
BATON ROUGE, LOUISIANA 70809  
(225) 923-3000 • FAX (225) 923-3008  
December 13, 2004

**Accountant's Compilation Report**

The Officers and Council  
Louisiana Association of Museums  
Baton Rouge, Louisiana

Ladies and Gentlemen:

We have compiled the accompanying statement of assets and net assets - modified cash basis of the

**Louisiana Association of Museums  
(A Non-Profit Organization)  
Baton Rouge, Louisiana**

as of June 30, 2004, and the related statements of revenue and expenses - modified cash basis, and cash flows - modified cash basis, for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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

Yours truly,

*Hawthorn, Waymouth & Carroll, L.L.P.*

**Louisiana Association of Museums**  
**Statement of Assets and Net Assets - Modified Cash Basis**  
**June 30, 2004**  
(See Accountant's Compilation Report)

**A s s e t s**

**Current Assets**

Cash	\$15,795
------	----------

<b>Property, Plant and Equipment, net</b>	<u>11,260</u>
---	---------------

<u>Total assets</u>	<u>27,055</u>
---------------------	---------------

**N e t   A s s e t s**

<b>Net Assets - Unrestricted</b>	<u>27,055</u>
----------------------------------	---------------

<u>Total net assets</u>	<u>27,055</u>
-------------------------	---------------

The accompanying notes are an integral part of these statements.

**Louisiana Association of Museums**  
**Statement of Revenue and Expenses - Modified Cash Basis**  
**Year Ended June 30, 2004**  
(See Accountant's Compilation Report)

<b>Revenue</b>	
Memberships	\$18,085
Fees and charges	8,907
Grants and donations	77,345
Other revenue	3,347
Miscellaneous sales	<u>4,097</u>
	<u>111,781</u>
<b>Expenses</b>	
Annual Meeting	2,240
Salaries and benefits	35,272
Office operations	3,081
Postage	3,009
Professional fees	15,154
Printing and copying	7,483
Telephone	2,054
Travel, conference and workshops	5,533
Dues and subscriptions	702
Depreciation	3,269
Rent	3,138
Insurance	1,992
Miscellaneous	<u>9,651</u>
	<u>92,578</u>
<b>Revenue in Excess of Expenses</b>	19,203
<b>Net Assets, beginning of year</b>	<u>7,852</u>
<b>Net Assets, end of year</b>	<u>27,055</u>

The accompanying notes are an integral part of these statements.

**Louisiana Association of Museums**  
**Statement of Cash Flows - Modified Cash Basis**  
**Year Ended June 30, 2004**  
(See Accountant's Compilation Report)

<b>Cash Flows From Operating Activities</b>	
Revenue in excess of expenses	\$19,203
Adjustments to reconcile revenue in excess of expenses to net cash provided by operating activities	
Depreciation	<u>3,269</u>
<u>Net cash provided by operating activities</u>	<u>22,472</u>
<b>Cash Flows From Investing Activities</b>	
Purchase of fixed asset	<u>(9,319)</u>
<u>Net cash used by investing activities</u>	<u>(9,319)</u>
<b>Net Increase in Cash</b>	13,153
<b>Cash and Cash Equivalents</b>	
Beginning of year	<u>2,642</u>
End of year	<u>15,795</u>

The accompanying notes are an integral part of these statements.

**Louisiana Association of Museums**  
**Notes to Financial Statements**  
**June 30, 2004**

**Note 1-Summary of Significant Accounting Policies**

A. Nature of Operations

The Association is a nonprofit organization that provides educational support to its membership of museums located in the State of Louisiana. Its primary sources of revenues are membership dues, annual meeting registration fees, grants and donations.

B. Basis of Accounting

The Association maintains its records using the modified cash method of accounting whereby certain revenue and the related assets are recorded when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred.

C. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

D. Property, Plant and Equipment

Property, plant and equipment are stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Expenditures for maintenance, repairs and minor renewals are expensed as incurred.

E. Income Taxes

The Association is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified as a public charity.

**Louisiana Association of Museums**  
**Notes to Financial Statements**  
**June 30, 2004**

**Note 2-Nonmonetary Transactions**

A number of unpaid volunteers have made significant contributions of their time to develop the Association's programs. The value of these items is not reflected on the accompanying financial statements.

**Note 3-Property, Plant and Equipment**

The following is a summary of property, plant and equipment - at cost, less accumulated depreciation:

Machinery and equipment	\$22,996
Less: accumulated depreciation	<u>11,736</u>
<u>Total</u>	<u>11,260</u>

**Note 4-Temporarily and Permanently Restricted Net Assets**

Temporarily restricted net assets are those whose use has been limited by donors to a specified time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained in perpetuity. The Louisiana Association of Museums does not have any temporarily or permanently restricted net assets.

**Note 5-Rent Expense**

The Association paid \$2,280 in rental expense for the year ended June 30, 2004. The Association made lease payments of \$190 a month on a lease which ended June 30, 2004.



HAWTHORN, WAYMOUTH & CARROLL, L.L.P.

J. CHARLES PARKER, C.P.A.  
LOUIS C. MCKNIGHT, III, C.P.A.  
ANTHONY J. CRISTINA, III, C.P.A.  
CHARLES R. PEVEY, JR., C.P.A.  
DAVID J. BROUSSARD, C.P.A.



CERTIFIED PUBLIC ACCOUNTANTS

8555 UNITED PLAZA BLVD., SUITE 200  
BATON ROUGE, LOUISIANA 70809  
(225) 923-3000 • FAX (225) 923-3008

December 13, 2004

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

Board of Directors  
Louisiana Association of Museums  
Post Office Box 4434  
Baton Rouge, Louisiana 70821-4434

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Louisiana Association of Museums, the Legislative Auditor, State of Louisiana and applicable state grantor agency/agencies solely to assist the users in evaluating management's assertions about Louisiana Association of Museums' 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. 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. Award expenditures for the Association's only program for the fiscal year are as follows:

<u>Federal Grant Name</u>	<u>Grant Year</u>	<u>CFDA #</u>	<u>Amount</u>
State of Louisiana	2003	DCRT-OSM-04-03; CFMS 602400	\$67,211

We randomly selected six (6) disbursements from the award administered during the period under examination.

**Federal, State and Local Awards (continued)**

We traced the six (6) disbursements to supporting documentation as to proper amount and payee.

*We examined supporting documentation for each of the six (6) selected disbursements and found that payment was for the proper amount and made to the correct payee.*

We determined if the six (6) disbursements were properly coded to the correct fund and general ledger account.

*All of the payments were properly coded to the correct fund and general ledger account.*

We determined whether the six (6) disbursements received approval from proper authorities.

*Inspection of documentation supporting each of the six (6) selected disbursements indicated the appropriate approvals.*

For the federal award, we 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*) for state and local awards, we determined whether the disbursements complied with the grant agreement, relating to:

Activities allowed or unallowed:

*We reviewed the previously listed disbursements for types of services allowed or not allowed.*

Eligibility:

*We reviewed the previously listed disbursements for eligibility requirements.*

Reporting:

*We reviewed the previously listed disbursements for reporting requirements.*

We 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).

*Louisiana Association of Museums is only required to post a notice of each meeting and the accompanying agenda on the door of the Louisiana Association of Museums' office building. Although management has asserted that such documents were properly posted, we could find no evidence supporting such assertion other than an unmarked copy of the notices and agendas.*

For all grants exceeding \$5,000, we determined that each applicable state or local grantor 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.

*Louisiana Association of Museums 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.*

We were 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, we do not express such an opinion. Had we 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 Louisiana Association of Museums, the Louisiana 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.

Yours truly,

*Hawthorn, Waymouth & Carroll, L.L.P.*

**LOUISIANA ATTESTATION QUESTIONNAIRE**  
**(For Attestation Engagements of Quasi-public Entities)**  
**October 19, 2004** (Date Transmitted)

Hawthorn, Waymouth & Carroll, LLP  
Certified Public Accountants  
8555 United Plaza Blvd., Suite 200  
Baton Rouge, LA 70809

In connection with your compilation of our 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 19, 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 our 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**

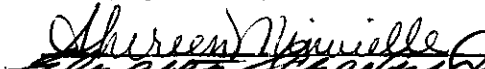
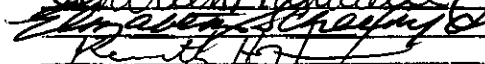
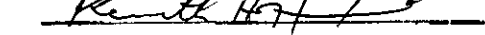
We have resolved all prior-year recommendations and/or comments.

Yes  No

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	<u>Shereen Minicelle</u>	Date	<u>Oct. 19, 2004</u>
	Treasurer	<u>Elizabeth Schneider</u>	Date	<u>Oct. 19, 2004</u>
	President	<u>Kenneth Hoffman</u>	Date	<u>Oct. 19, 2004</u>