

**FESTIVAL INTERNATIONAL
DE LOUISIANE, INC.**

Lafayette, Louisiana

Consolidated Financial Report

Year Ended August 31, 2017

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KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Festival International de Louisiane, Inc.
Lafayette, Louisiana

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Festival International de Louisiane, Inc. (a nonprofit organization) and affiliate, which comprise the consolidated statement of financial position as of August 31, 2017, and the related consolidated statement of activities, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Festival International de Louisiane, Inc. and affiliate as of August 31, 2017, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplemental information on pages 13 through 15 are presented for purposes of additional analysis and are not required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated February 2, 2018, on our consideration of Festival International de Louisiane, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Festival International de Louisiane, Inc.'s internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
February 2, 2018

FINANCIAL STATEMENTS

FESTIVAL INTERNATIONAL DE LOUISIANE, INC.
Lafayette, Louisiana

Consolidated Statement of Financial Position
August 31, 2017

ASSETS

Current assets:	
Cash and cash equivalents	\$ 526,438
Receivables-	
Grants	10,000
Other	2,948
Inventory	<u>19,226</u>
Total current assets	<u>558,612</u>
Property and equipment, net	<u>563,820</u>
Other assets:	
Trademark	<u>590</u>
Total assets	<u>\$ 1,123,022</u>

LIABILITIES AND NET ASSETS

Current liabilities:	
Accrued liabilities	\$ 10,350
Current maturities of long-term debt	<u>21,602</u>
Total current liabilities	31,952
Noncurrent liabilities:	
Long-term debt, less current maturities	<u>523,097</u>
Total liabilities	555,049
Net assets:	
Unrestricted	<u>567,973</u>
Total liabilities and net assets	<u>\$ 1,123,022</u>

The accompanying notes are an integral part of this statement.

FESTIVAL INTERNATIONAL DE LOUISIANE, INC.
Lafayette, Louisiana

Consolidated Statement of Activities
Year Ended August 31, 2017

Unrestricted net assets:	
Support-	
Contributions	\$ 577,795
Grants	85,798
Fundraising	54,219
In-kind contributions	<u>488,540</u>
Total unrestricted support	<u>1,206,352</u>
Revenue-	
Sales, net of direct expenses	591,778
Interest	572
Miscellaneous	<u>226</u>
Total unrestricted revenue	<u>592,576</u>
Total support and revenue	<u>1,798,928</u>
Expenses-	
Program services:	
Programming	315,998
Production	645,643
Marketing and promotion	<u>335,701</u>
Total program services	<u>1,297,342</u>
Supporting services:	
Management and general	130,510
Fundraising	<u>152,510</u>
Total supporting services	<u>283,020</u>
Total expenses	<u>1,580,362</u>
Increase in unrestricted net assets	218,566
Net assets, beginning of year	<u>349,407</u>
Net assets, end of year	<u>\$ 567,973</u>

The accompanying notes are an integral part of this statement.

FESTIVAL INTERNATIONAL DE LOUISIANE, INC.
Lafayette, Louisiana

Consolidated Statement of Cash Flows
Year Ended August 31, 2017

Cash flows from operating activities:	
Increase in unrestricted net assets	\$ 218,566
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	6,233
Changes in current assets and liabilities -	
Increase in receivables	(8,063)
Increase in inventory	(19,226)
Increase in accrued liabilities	<u>21,158</u>
Net cash provided by operating activities	<u>218,668</u>
Cash flows from capital and related financing activities:	
Increase in note payable	<u>523,097</u>
Cash flows used by investing activities:	
Purchase of property and equipment	<u>(562,060)</u>
Net increase in cash and cash equivalents	179,705
Cash and cash equivalents, beginning of year	<u>346,733</u>
Cash and cash equivalents, end of year	<u>\$ 526,438</u>

The accompanying notes are an integral part of this statement.

FESTIVAL INTERNATIONAL DE LOUISIANE, INC.
Lafayette, Louisiana

Notes to Consolidated Financial Statements

(1) Summary of Significant Accounting Policies

A. Organization and Purpose

Festival International de Louisiane, Inc. (Organization) is a nonprofit corporation organized under the laws of the State of Louisiana on September 2, 1986, for the purpose of producing a Francophone festival of performing and visual arts.

Festival International de Louisiane Land Holdings, LLC, a sole member limited liability company, was created by Festival International de Louisiane, Inc. in fiscal year 2017 as a separate entity for acquiring a commercial real estate building to facilitate operations. Festival International de Louisiane Land Holdings, LLC is wholly owned by Festival International de Louisiane, Inc. and, as such, is consolidated in these financial statements.

B. Basis of Accounting

The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the organization and changes therein are classified and reported as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization.

C. Cash and Cash Equivalents

The Organization considers all highly liquid investments with a maturity of three months or less at the date of acquisition to be cash equivalents.

D. Grants Receivable

Grants receivable are recognized only to the extent that related expenses have been incurred.

FESTIVAL INTERNATIONAL DE LOUISIANE, INC.
Lafayette, Louisiana

Notes to Consolidated Financial Statements (Continued)

E. Property and Equipment

The Organization's capitalization policy is \$500 for property and equipment recorded at cost, if purchased, or at estimated fair value if donated. Donations of property and equipment are recorded as contributions at their estimated fair value. In the absence of donor stipulations regarding how long the contributed asset must be used, the Organization has adopted a policy of implying a time restriction on contributions of such assets that expires over the useful lives of the assets. Depreciation is computed by the straight line method at rates based the following estimated useful lives:

	<u>Years</u>
Furniture	3-5
Equipment	3-7
Buildings	40

F. Revenue and Expense Recognition

The Organization's main source of revenue is from contributions and proceeds from the festival. Contributions are recognized when the donor makes a commitment to give to the Organization. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increase those net asset classes. Expenses are recognized in the period incurred in accordance with the accrual basis of accounting. When a restriction expires, that is when a stipulated time restriction ends or purpose restrictions are accomplished, restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction.

G. Functional Allocation of Expenses

The costs of providing the various programs and services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

H. Income Taxes

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service (IRS) as other than a private foundation. The Organization's Forms 990, *Return of Organization Exempt from Income Tax*, for the years ending 2013, 2014, and 2015 are subject to examination by the IRS, generally for three years after they were filed.

FESTIVAL INTERNATIONAL DE LOUISIANE, INC.
Lafayette, Louisiana

Notes to Consolidated Financial Statements (Continued)

I. Compensated Absences

The Organization allows employees annual leave based on years of service. Annual leave must be taken during the year and is not cumulative.

J. Donated Materials and Services

The Organization receives a significant amount of donated services from unpaid volunteers who assist in program services during the year. These donated services are not reflected in the statement of activities because the criteria for recognition under professional standards have not been satisfied. Donations meeting the criteria are recorded at estimated fair value as follows:

Program Services:

Production-

Rental of property and equipment	\$195,120
Outside services	85,260
Hospitality and other	24,700
	<u>305,080</u>

Marketing and Promotion:

Advertising	<u>183,460</u>
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Total donated materials and services	<u>\$488,540</u>
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K. Advertising Costs

Advertising costs are expensed in the year in which they are incurred. Advertising expense for the years ended August 31, 2017 was \$241,740.

L. 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 certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

FESTIVAL INTERNATIONAL DE LOUISIANE, INC.
Lafayette, Louisiana

Notes to Consolidated Financial Statements (Continued)

(2) Property and Equipment

Property and equipment consist of the following as of August 31, 2017:

Land	\$ 127,418
Buildings	422,582
Furniture and equipment	<u>24,989</u>
Total	574,989
Less: Accumulated depreciation	<u>(11,169)</u>
Capital assets, net	<u>\$ 563,820</u>

Depreciation expense for the year ended August 31, 2017 was \$6,233.

(3) Long-Term Debt

At August 31, 2017, long-term debt was comprised of the following:

Lafayette Public Trust Financing Authority \$550,000 note payable dated February 23, 2017, maturing May 2032. The terms of the loan include principal of \$400,000 bearing interest of 3% per annum and shall be payable in equal monthly installments of principal and interest in the amount of \$2,762 for a term of 180 months. Provided that all loan terms are met, beginning on the eleventh anniversary date of the note, \$30,000 shall be converted to a grant for each of the remaining years, for a total of \$150,000.

\$ 544,699

The maturities of long-term debt are as follows:

2018	\$ 21,602
2019	22,259
2020	22,936
2021	23,634
2022	24,353
Thereafter	<u>429,915</u>
Total	<u>\$ 544,699</u>

FESTIVAL INTERNATIONAL DE LOUISIANE, INC.
Lafayette, Louisiana

Notes to Consolidated Financial Statements (Continued)

(4) Sales (Net of Direct Expenses)

The following is a schedule of the gross sales revenues and the related cost of revenues for the year ended August 31, 2017.

Gross sales revenue	\$ 924,037
Cost of revenues	<u>(332,259)</u>
Net sales revenue	<u>\$ 591,778</u>

(5) Related Party Transaction

During the fiscal year, the Organization purchased merchandise inventory in the amount of \$34,224 from Parish Ink, LLC, which is owned by the Board President.

(6) Risk Management

The Organization is exposed to risks of loss in the areas of health care, general liability, and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year. Insurance settlements have not exceeded insurance coverage the past three years.

(7) Concentration of Credit Risk

The Organization maintains cash account balances at financial institutions, which at times may exceed federally insured limits. Accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000. At August 31, 2017, the Organization's cash balances were under secured by \$45,513 and therefore, exposed to custodial credit risk.

(8) Schedule of Compensation, Benefits, and Other Payments to Agency Head

The Organization's agency head did not receive any compensation, benefits, or other payments from public funds.

(9) Subsequent Events

Subsequent events have been evaluated through February 2, 2018, the date which the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

FESTIVAL INTERNATIONAL DE LOUISIANE, INC.
Lafayette, Louisiana

Consolidated Statement of Functional Expenses
Year Ended August 31, 2017

	Program Services			Total Program Services	Supporting Services		Total Supporting Services	Total Expenses
	Programming	Production	Marketing and Promotion		Management and General	Fundraising		
Salaries	\$ 47,385	\$ 71,319	\$ 58,187	\$ 176,891	\$ 45,710	\$ 72,000	\$ 117,710	\$ 294,601
Professional fees	193,523	41,648	1,000	236,171	2,991	1,994	4,985	241,156
Outside services and fees	-	85,260	-	85,260	14,993	9,995	24,988	110,248
Supplies	-	4,178	-	4,178	5,626	3,750	9,376	13,554
Telephone and utilities	-	-	-	-	4,559	3,039	7,598	7,598
Postage and shipping	-	-	-	-	1,325	883	2,208	2,208
Payroll taxes	3,625	5,456	4,451	13,532	3,497	5,040	8,537	22,069
Rental of property and equipment	-	263,866	-	263,866	4,394	2,930	7,324	271,190
Printing and publications	-	6,712	408	7,120	1,967	1,312	3,279	10,399
Transportation and other services	7,126	-	-	7,126	-	-	-	7,126
Hospitality	32,797	24,700	-	57,497	-	-	-	57,497
Meals and lodging	24,271	4,733	-	29,004	628	418	1,046	30,050
Advertising and promotion	-	-	241,740	241,740	-	-	-	241,740
Research	-	-	-	-	1,338	892	2,230	2,230
Sound and lighting	-	83,816	-	83,816	-	-	-	83,816
Licenses	3,706	-	-	3,706	-	-	-	3,706
Electrical	-	12,739	-	12,739	-	-	-	12,739
Insurance	-	31,707	-	31,707	12,935	8,624	21,559	53,266
Decorations and signage	-	2,999	17,168	20,167	-	-	-	20,167
Photography	-	-	3,900	3,900	-	-	-	3,900
Rent	-	-	-	-	8,280	5,520	13,800	13,800
Depreciation	-	-	-	-	6,233	-	6,233	6,233
Special events	-	-	-	-	-	25,423	25,423	25,423
Other	3,565	6,510	8,847	18,922	16,034	10,690	26,724	45,646
	<u>\$ 315,998</u>	<u>\$ 645,643</u>	<u>\$ 335,701</u>	<u>\$ 1,297,342</u>	<u>\$ 130,510</u>	<u>\$ 152,510</u>	<u>\$ 283,020</u>	<u>\$ 1,580,362</u>

FESTIVAL INTERNATIONAL DE LOUISIANE, INC.
Lafayette, Louisiana

Consolidating Statement of Financial Position
August 31, 2017

	<u>Festival International de Louisiane, Inc.</u>	<u>Festival International de Louisiane Land Holdings, LLC</u>	<u>Eliminations</u>	<u>Consolidated</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 526,438	\$ -	\$ -	\$ 526,438
Receivables-				
Grants	10,000	-	-	10,000
Other	2,948	-	-	2,948
Inventory	<u>19,226</u>	<u>-</u>	<u>-</u>	<u>19,226</u>
Total current assets	<u>558,612</u>	<u>-</u>	<u>-</u>	<u>558,612</u>
Property and equipment, net	<u>16,461</u>	<u>547,359</u>	<u>-</u>	<u>563,820</u>
Other assets:				
Trademark	<u>590</u>	<u>-</u>	<u>-</u>	<u>590</u>
Total assets	<u>\$ 575,663</u>	<u>\$ 547,359</u>	<u>\$ -</u>	<u>\$ 1,123,022</u>
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accrued liabilities	\$ 10,350	\$ -	\$ -	\$ 10,350
Current maturities of long-term debt	<u>-</u>	<u>21,602</u>	<u>-</u>	<u>21,602</u>
Total current liabilities	10,350	21,602	-	31,952
Noncurrent liabilities:				
Long-term debt, less current maturities	<u>-</u>	<u>523,097</u>	<u>-</u>	<u>523,097</u>
Total liabilities	10,350	544,699	-	555,049
Net assets:				
Unrestricted	<u>565,313</u>	<u>2,660</u>	<u>-</u>	<u>567,973</u>
Total liabilities and net assets	<u>\$ 575,663</u>	<u>\$ 547,359</u>	<u>\$ -</u>	<u>\$ 1,123,022</u>

FESTIVAL INTERNATIONAL DE LOUISIANE, INC.
Lafayette, Louisiana

Consolidating Statement of Activities
Year Ended August 31, 2017

	<u>Festival International de Louisiane, Inc.</u>	<u>Festival International de Louisiane Land Holdings, LLC</u>	<u>Eliminations</u>	<u>Consolidated</u>
Unrestricted net assets:				
Support-				
Contributions	\$ 577,795	\$ -	\$ -	\$ 577,795
Grants	85,798	-	-	85,798
Fundraising	54,219	-	-	54,219
In-kind contributions	488,540	-	-	488,540
Total unrestricted support	<u>1,206,352</u>	<u>-</u>	<u>-</u>	<u>1,206,352</u>
Revenue-				
Sales, net of direct expenses	591,778	-	-	591,778
Interest	572	-	-	572
Rental income	-	8,287	(8,287)	-
Miscellaneous	226	-	-	226
Total unrestricted revenue	<u>592,576</u>	<u>8,287</u>	<u>(8,287)</u>	<u>592,576</u>
Total support and revenue	<u>1,798,928</u>	<u>8,287</u>	<u>(8,287)</u>	<u>1,798,928</u>
Expenses-				
Program services:				
Programming	315,998	-	-	315,998
Production	645,643	-	-	645,643
Marketing and promotion	335,701	-	-	335,701
Total program services	<u>1,297,342</u>	<u>-</u>	<u>-</u>	<u>1,297,342</u>
Supporting services:				
Management and general	133,170	5,627	(8,287)	130,510
Fundraising	152,510	-	-	152,510
Total supporting services	<u>285,680</u>	<u>5,627</u>	<u>(8,287)</u>	<u>283,020</u>
Total expenses	<u>1,583,022</u>	<u>5,627</u>	<u>(8,287)</u>	<u>1,580,362</u>
Increase in unrestricted net assets	215,906	2,660	-	218,566
Net assets, beginning of year	<u>349,407</u>	<u>-</u>	<u>-</u>	<u>349,407</u>
Net assets, end of year	<u>\$ 565,313</u>	<u>\$ 2,660</u>	<u>\$ -</u>	<u>\$ 567,973</u>

**INTERNAL CONTROL,
COMPLIANCE
AND OTHER MATTERS**

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL
CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

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To the Board of Directors
Festival International de Louisiane, Inc.
Lafayette, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Festival International de Louisiane, Inc. (a nonprofit organization) and affiliate, which comprise the consolidated statement of financial position as of August 31, 2017, and the related consolidated statements of activities and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated February 2, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Festival International de Louisiane, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Festival International de Louisiane, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs we identified a certain deficiency in internal control that we consider to be a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying summary schedule of current and prior year audit findings and corrective action plan as item 2017-001 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Festival International de Louisiane, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suited for any other purpose. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
February 2, 2018

FESTIVAL INTERNATIONAL DE LOUISIANE, INC.
Lafayette, Louisiana

Summary Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended August 31, 2017

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
CURRENT YEAR (8/31/17) --						
<u>Internal Control:</u>						
2017-001	2013	Due to the small number of employees involved in the accounting operations, the Organization does not have adequate segregation of functions within the accounting system. Based upon the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of functions.	N/A	No response is considered necessary.	N/A	N/A
<u>Compliance</u>						
There were no compliance findings to be reported.						
PRIOR YEAR (8/31/16) --						
<u>Internal Control:</u>						
2016-001	2013	Due to the small number of employees involved in the accounting operations, the Organization does not have adequate segregation of functions within the accounting system. Based upon the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of functions.	N/A	No response is considered necessary.	N/A	N/A
<u>Compliance</u>						
There were no compliance findings to be reported.						