



South Louisiana Economic Council

Assumption • Lafourche • St. Mary • Terrebonne

**SOUTH LOUISIANA ECONOMIC COUNCIL INC.
Thibodaux, LA**

Financial Report

For the Year Ended December 31, 2017



(A Professional Corporation)
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**SOUTH LOUISIANA ECONOMIC COUNCIL INC.
Thibodaux, Louisiana**

As of and for the year ended December 31, 2017

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Independent Accountant's Compilation Report

**To the Board of Directors
South Louisiana Economic Council, Inc.
Thibodaux, Louisiana**

Management is responsible for the accompanying financial statements of South Louisiana Economic Council, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Supplementary Information

The supplementary information contained in Schedule 1 and 2 are presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement, however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

A handwritten signature in blue ink, appearing to read "T. Kearns".

June 28, 2018

SOUTH LOUISIANA ECONOMIC COUNCIL INC.
Statement of Financial Position
December 31, 2017

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$ 148,937
Grant and contracts receivable	24,607
Prepaid expenses	10,000
Investment in cooperative endeavor agreement	36,487
TOTAL CURRENT ASSETS	<u>220,031</u>

PROPERTY AND EQUIPMENT:

Furniture & equipment	89,014
Building improvements	18,112
Accumulated depreciation	<u>(98,709)</u>
TOTAL PROPERTY & EQUIPMENT	8,417

OTHER ASSETS:

Investment in cooperative endeavor agreement	<u>346,283</u>
TOTAL OTHER ASSETS	<u>346,283</u>

TOTAL ASSETS	<u><u>\$ 574,731</u></u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Other accrued liabilities	\$ 1,065
Accounts payable	14,269
Line of credit	<u>202,621</u>
TOTAL CURRENT LIABILITIES	<u>217,955</u>

NET ASSETS:

Unrestricted	(108,925)
Temporarily restricted	<u>465,701</u>
TOTAL NET ASSETS	<u>356,776</u>

TOTAL LIABILITIES & NET ASSETS	<u><u>\$ 574,731</u></u>
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See accompanying notes and accountant's report.

SOUTH LOUISIANA ECONOMIC COUNCIL INC.
Statement of Activities
For the Year Ended December 31, 2017

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES AND OTHER SUPPORT:			
Governmental grants and local industry contracts	\$ -	\$ 155,990	\$ 155,990
Sponsorships	-	90,030	90,030
Donations	820		820
Interest income	55		55
Other income	10,577		10,577
Satisfaction of restrictions	<u>313,355</u>	<u>(313,355)</u>	<u>-</u>
Total revenue and other support	324,807	(67,335)	257,472
EXPENSES:			
Program services:			
Economic development programs	322,686		322,686
Support services:			
General and administrative	<u>152,233</u>		<u>152,233</u>
Total expenses	<u>474,919</u>		<u>474,919</u>
INCREASE (DECREASE) IN NET ASSETS	(150,112)	(67,335)	(217,447)
NET ASSETS, BEGINNING	<u>41,187</u>	<u>533,036</u>	<u>574,223</u>
NET ASSETS, END OF YEAR	<u>\$ (108,925)</u>	<u>\$ 465,701</u>	<u>\$ 356,776</u>

See accompanying notes and accountant's report.

SOUTH LOUISIANA ECONOMIC COUNCIL INC.
Statement of Cash Flows
For the Year Ended December 31, 2017

Cash flows from operating activities	
Increase (decrease) in net assets	\$ (217,447)
Adjustments to reconcile increase (decrease) in net assets to net cash provided (used) by operating activities:	
Depreciation and amortization	1,719
Changes in assets and liabilities:	
(Increase) decrease in grants and contracts receivable	33,733
(Increase) decrease in prepaid expenses	10,875
Increase (decrease) in accounts payable	627
Increase (decrease) in other accrued liabilities	1,830
Increase (decrease) in deferred revenue	<u>(2,130)</u>
Net cash provided (used) by operating activities	\$ (170,793)
Cash flows from investing activities	
Investments in cooperative endeavor agreement	<u>36,486</u>
Net cash provided (used) in investing activities	\$ 36,486
Cash flows from financing activities	
Principal paid on line of credit	<u>-</u>
Net cash provided (used) in financing activities	-
Net increase (decrease) in cash and cash equivalents	<u>(134,307)</u>
Cash and cash equivalents	
Beginning of year:	
Coastal Commerce - General	106,228
Coastal Commerce - Money Market	22,439
Coastal Commerce - Public Funds	6,960
Coastal Commerce - Special Projects	23,976
Coastal Commerce - Washington Fund	34,569
Coastal Commerce - GEST Project	89,073
Total cash and equivalents at beginning of year	<u>\$ 283,244</u>
End of year:	
Coastal Commerce - General	5,705
Coastal Commerce - Money Market	2,367
Coastal Commerce - Public Funds	4,651
Community Bank - Special Projects	4,309
Coastal Commerce - Washington Fund	42,074
Coastal Commerce - GEST Project	84,831
Undeposited funds	5,000
Total cash and equivalents at end of year	<u>\$ 148,937</u>

See accompanying notes and accountant's report.

SOUTH LOUISIANA ECONOMIC COUNCIL, INC.

Notes to the Financial Statements

For the Year Ended December 31, 2017

INTRODUCTION

The South Louisiana Economic Council, Inc. (the Council), a non-profit corporation, was organized on March 16, 1984, to encourage economic development in the four parish area of Assumption, Lafourche, St. Mary, and Terrebonne. The purpose of the Council is to organize and charter for the purpose of furthering the economic development of the South Central Louisiana area and its environs, and promoting and assisting the growth and development of industry and business concerns, including small business concerns, in the area.

NOTE I SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed are described to enhance the usefulness of the financial statements to the reader. The financial statements of the South Louisiana Economic Council, Inc. (a nonprofit organization) have been prepared on the accrual basis; therefore, certain revenues and the related assets are recognized when awarded rather than when received and certain expenses are recognized when the obligation is incurred rather than when paid. These policies have been consistently applied in the preparation of the financial statements. The corporation has no capital stock.

A. BASIS OF PRESENTATION

The financial statements are presented in accordance with the Financial Accounting Standards Board in its Accounting Standards Codification (ASC) 958, which requires the Organization 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. In addition, the organization is required to present a statement of cash flows.

B. USE OF ESTIMATES

The process of preparing financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

C. CASH AND CASH EQUIVALENTS

For purposes of the statement of cash flows, the Council considers all highly liquid debt instruments purchased with an original maturity of ninety days or less to be cash equivalents. There were no cash equivalents at year-end.

SOUTH LOUISIANA ECONOMIC COUNCIL, INC.

Notes to the Financial Statements

For the Year Ended December 31, 2017

D. RECEIVABLES

The Council considers all receivables to be collectible; therefore, no allowance has been established for doubtful accounts. If uncollectible amounts are identified, necessary adjustments are made when information becomes available. These amounts are not considered to be material to the financial statements.

E. PROPERTY AND EQUIPMENT

Property and equipment purchased with an original cost of \$500 or more are reported at historical cost. Donations of property and equipment are recorded as support at their estimated fair value as of the date received. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Property and equipment are depreciated using the straight-line method over their estimated useful lives as follows:

Equipment & furniture	3-7 years
Building improvements	10 years

F. REVENUE RECOGNITION

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Grant revenue is recognized as it is earned in accordance with approved contracts.

G. DEFERRED REVENUES

Service fees collected in advance of the period in which the services relate are deferred and recognized as contract support over the related period of service.

SOUTH LOUISIANA ECONOMIC COUNCIL, INC.

Notes to the Financial Statements

For the Year Ended December 31, 2017

H. ADVERTISING

Advertising costs are expensed when incurred, except for direct-response advertising. The cost of direct-response advertising are capitalized and amortized over the period which future benefits are expected to be received. There were no direct-response advertising costs incurred during the year.

I. INCOME TAX STATUS

South Louisiana Economic Council, Inc. is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes is made in the financial statements. South Louisiana Economic Council, Inc. is no longer subject to U.S. Federal tax examination for years prior to the 2014 tax year.

J. NATURE OF ACTIVITIES

The Council was created to spur economic growth by encouraging and facilitating existing local industry to expand and to entice industry from out-of-state to locate in the region. The Council also acts as coordinator for various economic and workforce development activities and programs in the area. The Council is supported primarily through unrestricted grants from the local governments within the four-parish areas it serves, grants from the state government of Louisiana and by unrestricted support received from local private industry.

K. VACATION AND SICK LEAVE

Vacation hours do not carryover to future years. Sick leave does carryover; however, any accumulated sick leave is not payable to employees upon termination. Therefore, vacation and sick leave is not accrued.

All full time employees earn one day of sick leave per month employed. Sick leave may be accumulated and carried forward from year to year up to a maximum of 240 hours.

L. SUBSEQUENT EVENTS

The subsequent events of the organization were evaluated through the date of the financial statements were available to be issued (June 28, 2018).

NOTE II CASH AND CASH EQUIVALENTS

At December 31, 2017, the Council has cash and cash equivalents (book balances) totaling \$148,937 of demand deposits. These deposits are stated at cost, which approximates market.

SOUTH LOUISIANA ECONOMIC COUNCIL, INC.

Notes to the Financial Statements For the Year Ended December 31, 2017

NOTE III CONCENTRATION OF CREDIT RISK

Concentration of credit risk is the risk that in the event of a bank failure, the Council's deposits may not be returned. The Council does not have a policy for credit risk. At December 31, 2017, the Council had \$160,199 in deposits (collected) bank balance. At December 31, 2017, all deposits were secured by the Federal Deposit Insurance Corporation (FDIC).

NOTE IV GRANT AND CONTRACT RECEIVABLES

The following grant and contract receivables were accrued at December 31, 2017:

Restore or Retreat	15,537
Lafourche Chamber of Commerce	5,856
Gulf Economic Survival Team	1,289
LA 1	1,912
Other	<u>13</u>
Total	<u>\$ 24,607</u>

NOTE V PROPERTY AND EQUIPMENT

Capital asset activity for the year ended December 31, 2017 was as follows:

	<u>Balance at 12/31/2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at 12/31/2017</u>
Capital assets being depreciated:				
Building improvements	\$ 18,112	-	-	\$ 18,112
Furniture and fixtures	56,266	-	-	56,266
Machinery and equipment	<u>32,135</u>	<u>-</u>	<u>-</u>	<u>32,748</u>
Total capital assets being depreciated	<u>107,126</u>	<u>-</u>	<u>-</u>	<u>107,126</u>
Less: accumulated depreciation	<u>(96,990)</u>	<u>(1,719)</u>	<u>-</u>	<u>(98,709)</u>
Total capital assets, net	<u>\$ 10,136</u>	<u>\$ (1,719)</u>	<u>\$ -</u>	<u>\$ 8,417</u>

Depreciation expense for the year was \$1,719.

NOTE VI INVESTMENT IN COOPERATIVE ENDEAVOR AGREEMENT

On August 29, 2011, South Louisiana Economic Council, Inc. entered into a cooperative endeavor agreement with Nicholls State University of Thibodaux, Louisiana for payments of

SOUTH LOUISIANA ECONOMIC COUNCIL, INC.

Notes to the Financial Statements

For the Year Ended December 31, 2017

the design, construction, renovation and improvements of the facility the Council occupies on the campus of Nicholls State University. This agreement is for a term of twenty years, beginning on September 15, 2011, and ending on September 14, 2031. Lease payments were waived until the annual lease payments equaled the sum of the investment. Occupancy began in 2013. The Council is required to make lease payments of \$3,041 per month or \$36,487 annually. The Council has incurred \$543,919 for the design and construction cost of the investment in the cooperative endeavor agreement, which exceeded the required minimum approved by Nicholls State University. The Council anticipates offsetting rental payments against its investment from the date of occupancy through 2028 thereafter monthly rental payments are required by the agreement. Additional investments made by the Council could result in amending the agreement to change the rental rate or length of time of the agreement.

At December 31, 2017, the Council has a reported balance of \$382,770 of investment in cooperative endeavor agreement with Nicholls State University.

NOTE VII LINE OF CREDIT

A summary of the changes in the line of credit the Council maintains through Coastal Commerce Bank are as follows:

Line of Credit balance at December 31, 2016:	\$202,621
Additions	-0-
Reductions	<u>-0-</u>
Line of Credit balance at December 31, 2017:	<u>\$202,621</u>

Interest expense on line of credit for the year was \$13,755.

NOTE VIII DEFERRED COMPENSATION PLAN

Employees of the Council have the option to participate in a deferred compensation program as defined by Internal Revenue Code Section 403(b) (tax sheltered annuities). The Council has the responsibility for withholding and remitting contributions from participants to the plan. There is no matching contribution requirement for the Council. An insurance company serves as administrator and has the responsibility for maintaining a deferred account with respect to each participant, investing the participant's account in accordance with the participant's investment specifications and reporting annually to the participant and the Company on the status of the plan.

NOTE IX TEMPORARILY RESTRICTED NET ASSETS

Changes to temporarily restricted net assets consist of the following for the year ended December 31, 2017:

SOUTH LOUISIANA ECONOMIC COUNCIL, INC.

Notes to the Financial Statements

For the Year Ended December 31, 2017

	<u>Beginning</u>	<u>Additions</u>	<u>Releases</u>	<u>Ending</u>
Investment in cooperative endeavor agreement	\$ 419,256	\$ -	\$ (36,486)	\$ 382,770
Washington D.C. Mardi Gras	49,968	90,030	(81,675)	58,323
Remaining prepaid expenses*	5,473	-	(5,473)	-
Grant and contracts receivable	<u>58,340</u>	<u>24,607</u>	<u>(58,340)</u>	<u>24,607</u>
	<u>\$ 533,037</u>	<u>\$ 114,637</u>	<u>\$(181,973)</u>	<u>\$ 465,701</u>

*\$10,000 of prepaid expenses are included in the Washington D.C. Mardi Gras account as those expenses are related to this program.

Additions to temporarily restricted net assets are government grants and donations restricted to specified purposes or time sensitive use of the asset.

NOTE X SUPPORT AND REVENUE

The Council receives funding primarily through grants and contracts from state and local governments, not-for-profit corporations, sponsorships for economic development and training seminars and service fees.

Grants and contract revenues were recognized from the following sources during the year ended December 31, 2017:

St. Mary Parish	\$ 25,000
Lafourche Parish	25,000
Greater Lafourche Port Commission	10,000
Other	<u>95,990</u>
Total	<u>\$ 155,990</u>

NOTE XI ECONOMIC DEPENDENCE

The Council receives majority of its funding from a small amount of sources. If one would withdraw from funding the Council, the Council would not be able to sustain operations as it is presently structured.

NOTE XII RELATED PARTIES

The Council entered into an agreement to provide administrative, secretarial, support, and payroll services, to the LA 1 Coalition, a not for profit entity whose mission is to improve the condition of Louisiana Highway 1 in lower Lafourche Parish to Port Fourchon, which is an

SOUTH LOUISIANA ECONOMIC COUNCIL, INC.

Notes to the Financial Statements

For the Year Ended December 31, 2017

issue management believes is related to the economic success and viability of the region. The Council is reimbursed for salaries, related payroll taxes and benefits, and office supplies after each pay period amounting to \$158,190 in 2017. The Council also received \$10,000 as compensation for unreimbursed time and expenses during the year ended December 31, 2017. As of December 31, 2017, \$1,912 is due for payroll taxes and office expenses on behalf of LA 1 Coalition.

The Council also entered into an agreement to provide administrative, secretarial, support, and payroll services, to Restore or Retreat, Incorporated, a not for profit entity whose mission is to seek to identify and expedite the implementation of aggressive, large-scale restoration projects to protect the Barataria and Terrebonne basins, which is an issue management believes is related to the economic success and viability of the region. The Council is reimbursed for salaries, related payroll taxes and benefits, and office expenses amounting to \$150,731 in 2017. The Council also received \$10,000 as compensation for unreimbursed time and expenses during the year ended December 31, 2017. At December 31, 2017, \$15,537 is due from Restore or Retreat for various expenses.

The Council also entered into an agreement to provide administrative, secretarial, support, and payroll services, to The Lafourche Chamber of Commerce a not for profit entity to strengthen the business climate and the quality of life of Lafourche Parish, Grand Isle, and the Bayou Region, which is an issue management believes is related to the economic success and viability of the region. The Council is reimbursed for salaries and related payroll taxes after each pay period amounting to \$74,039 in 2017.

During the year ending December 31, 2010, the Council entered into an agreement to provide administrative, secretarial, and support services to the Gulf Economic Survival Team, Incorporated, a not for profit entity whose mission is an organization that promotes the significance of Gulf of Mexico energy production to the U.S. economy, which is an issue management believes is related to the economic success and viability of the region. The Council received \$10,000 as compensation for unreimbursed time and expenses during the year ended December 31, 2017.

NOTE XIII LITIGATION AND CLAIMS

At December 31, 2017, South Louisiana Economic Council, Inc. had no litigation or claims pending.

SOUTH LOUISIANA ECONOMIC COUNCIL INC.
Statement of Functional Expenses
For the Year Ended December 31, 2017

	<u>PROGRAM SERVICES</u>	<u>SUPPORT SERVICES</u>	
	Economic Development Programs	General and Administrative	Total Expenses
Automobile expenses	\$ 359	\$ -	\$ 359
Bank Charges	-	145	145
Depreciation Expense	1,719	-	1,719
Dues and subscriptions	13,787	-	13,787
Grant Expense	32,500	-	32,500
Insurance	8,269	21,847	30,116
Interest Expense	13,755	-	13,755
Lease	-	516	516
Meeting	-	8,854	8,854
Office Supplies	-	3,712	3,712
Payroll Taxes	6,105	3,697	9,802
Postage	264	-	264
Printing	999	-	999
Professional Fees	23,189	48,486	71,675
Salaries	81,150	64,975	146,125
Sponsorship	3,700	-	3,700
Telephone	1,336	-	1,336
Travel	17,393	-	17,393
Amortization of prepaid rent	36,487	-	36,487
Washington Mardi Gras	81,675	-	81,675
TOTAL	\$ 322,686	\$ 152,233	\$ 474,919

SOUTH LOUISIANA ECONOMIC COUNCIL INC.
Thibodaux, Louisiana

**Schedule of Compensation, Benefits, and Other Payments to Agency Head or
Chief Executive Officer**

As of and for the Year Ended December 31, 2017

Agency Head Name: Victor Lafont

Purpose	Amount
Salary	\$83,593
Benefits-insurance	8,448
Benefits-retirement	0
Benefits-other	0
Car allowance	0
Vehicle provided by government	0
Per diem	0
Reimbursements	0
Travel	14,897
Registration fees	0
Conference travel	0
Continuing professional education fees	0
Housing	0
Unvouchered expenses*	0
Meals	4,126

See accompanying notes and accountant's report.

SOUTH LOUISIANA ECONOMIC COUNCIL, INC.
Thibodaux, Louisiana

Corrective Action Plan for Prior Year Findings
For the Year Ended December 31, 2017

Section I – Internal Control and Compliance material to the financial statements:

Ref. No.

1612-01

Description of Finding

Inadequate Segregation of Duties

The size of the South Louisiana Economic Council, Inc.'s operations and its limited staff preclude an adequate segregation of duties and other features of an adequate system of internal control, although to employ such controls may not be cost beneficial.

This is a common deficiency noted in audits of small entities. The Organization does not employ enough people in its accounting department to adequately segregate duties such as approving purchase orders, approving invoices for payment, printing checks, recording checks, signing checks, mailing checks, and reconciling bank statements. This is one example of the circumstances that resulted in the reportable condition.

Corrective Action Taken

No corrective action is taken because this deficiency cannot be remedied in a cost effective manner.

Name of Contact Person

Victor Lafont, President

Completion Date

None

SOUTH LOUISIANA ECONOMIC COUNCIL, INC.
Thibodaux, Louisiana

Corrective Action Plan for Prior Year Findings
For the Year Ended December 31, 2017

Ref. No.

1612-02

Description of Finding

Inadequate Controls over Financial Statement Preparation

A material weakness exists in financial reporting because the South Louisiana Economic Council, Inc. does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including the related notes.

Corrective Action Taken

Management has evaluated the cost versus benefit of hiring a person who has the qualifications and training to apply generally accepted accounting principles in the preparation of financial statements. Management has determined that it is in the best interest of the Organization at this time, to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them. Management understands that it accepts final responsibility for the financial statements content and presentation.

Name of Contact Person

Victor Lafont, President

Completion Date

None

SOUTH LOUISIANA ECONOMIC COUNCIL, INC.
Thibodaux, Louisiana

Corrective Action Plan for Prior Year Findings
For the Year Ended December 31, 2017

Ref. No.

1612-03

Description of Finding

Inadequate Controls over Accounts Payable

South Louisiana Economic Council, Inc.'s (SLEC's) control procedures associated with accounting for accounts payable were not sufficient to ensure that all vendor invoices received were reflected in the Company's reported financial statements.

The assessment of a material weakness in this area of internal controls was triggered by SLEC's under-accrual of invoices received. During the 2016 financial statement audit, invoices pertaining to several prior years' purchases of professional services were noted that had been omitted from normal accounts payable and accrual procedures. At the point of discovery, all but one of these invoices had been retroactively voided by the vendor, who is also SLEC's Treasurer. The necessary correcting journal entries required a restatement of prior period net assets for only one invoice, totaling \$2,125, which had not been void (see note II, page 6).

Corrective Action Taken

The omission occurred due to a departure from the Company's stated accrual policy due to the unique situation between SLEC and the vendor (SLEC's Treasurer). The vendor issued the invoices to SLEC for professional services; however, due to the unlikelihood of SLEC's ability to pay the invoices, they were omitted from the normal accounts payable procedure.

Management believes that the overall material weakness in accounts payable has been addressed. In the future, SLEC will adhere to the policy of including all invoices, regardless of their ability to pay, in the accounts payable list.

Name of Contact Person

Victor Lafont, President

Completion Date

August 7, 2017

SOUTH LOUISIANA ECONOMIC COUNCIL, INC.
Thibodaux, Louisiana

Corrective Action Plan for Prior Year Findings
For the Year Ended December 31, 2017

Ref. No.

1612-04

Description of Finding

Non Compliance with Louisiana's financial reporting laws R.S. 24:513 and 24:514

Under Louisiana's financial reporting laws (R.S. 24:513 and 24:514), South Louisiana Economic Council, Inc. is required to provide an annual financial report to the Louisiana Legislative Auditor's Office no later than six months after its year end.

The Council failed to comply with these laws, submitting this required report to the state approximately two months after the required deadline.

We recommend that policies and procedures are put in place by the Council's board, and communicated to all necessary personnel, to ensure that these required annual financial reports are filed, in the future, in a timely manner.

Corrective Action Taken

South Louisiana Economic Council, Inc. agrees with the finding of our inability to provide an annual financial report to the Louisiana Legislative Auditor's Office no later than six months after its year end. We agree that the Council failed to comply with these laws, and submitted this required report to the state approximately two months after the required deadline.

We will be reviewing this process and educating those involved to ensure this doesn't reoccur. The difficulty with volunteer organizations is that thorough attention, knowledge of processes, experience, and skills sets gets lost if not properly transitioned. We will seriously consider your recommendations to ensure a seamless transition of future positions to prevent problems such as this.

Name of Contact Person

Victor Lafont, President

Completion Date

August 25, 2017

Section II – Management Letter

A management letter was issued.

**SOUTH LOUISIANA ECONOMIC COUNCIL, INC.
Thibodaux, Louisiana**

**Corrective Action Plan for Current Year Findings
For the Year Ended December 31, 2017**

No current year findings.