

LOUISIANA STATE BOARD OF PRACTICAL
NURSE EXAMINERS
DEPARTMENT OF HEALTH

A COMPONENT UNIT OF THE
STATE OF LOUISIANA



FINANCIAL STATEMENT AUDIT
FOR THE YEAR ENDED JUNE 30, 2017
ISSUED September 1, 2017

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GARRETY & ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

**LOUISIANA STATE BOARD OF
PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH
STATE OF LOUISIANA**
Metairie, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Louisiana State Board of Practical Nurse Examiners (Board), a component unit of the State of Louisiana, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 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.

GARRETY & ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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 financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the Board as of June 30, 2017, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 3 through 7, the Schedule of the Board's Proportionate Share of the Net Pension Liability, the Schedule of Board Contributions, and the Schedule of Funding Progress for the Other Postemployment Benefits Plan on pages 30 through 31, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

GARRETY & ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements of that collectively comprise the Board's basic financial statements. The schedule of per diem paid to board members, the accompanying schedule of compensation, benefits, and other payments to agency head, and the annual fiscal report, as required by the State of Louisiana Division of Administration, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of per diem paid to board members, the accompanying schedule of compensation, benefits, and other payments to agency head, and the annual financial report are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of per diem paid to board members, the accompanying schedule of compensation, benefits, and other payments to agency head, and the annual fiscal report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 1, 2017, on our consideration of the Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the Board's internal control over financial reporting and compliance.



September 1, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

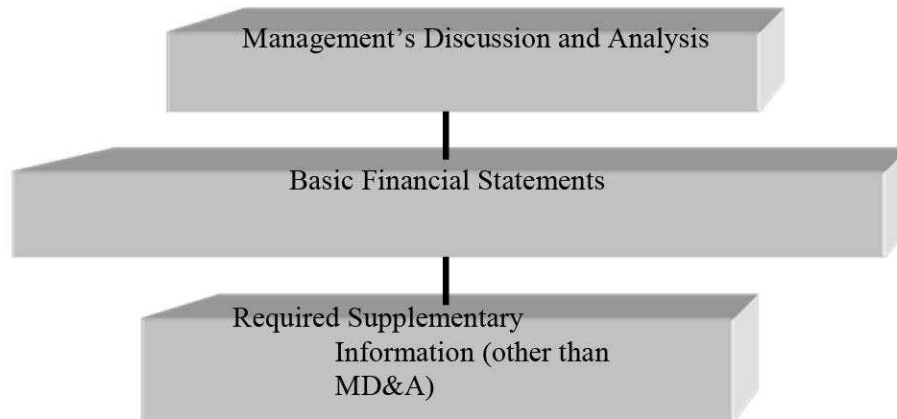
Management's Discussion and Analysis of the Louisiana State Board of Practical Nurse Examiners' (Board) financial performance presents a narrative overview and analysis of the Board's financial activities for the year ended June 30, 2017. This document focuses on the current-year's activities, resulting changes, and currently-known facts in comparison with the prior-year's information. Please read this document in conjunction with the Board's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The Board's liabilities exceeded its assets at the close of fiscal year 2017 by \$59,566.
- The Board's operating revenue increased by \$36,827, or 1.85%, and the net results from operating activities decreased by \$95,159, or 36.54%.

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for government entities engaged in business-type activities established by the Governmental Accounting Standards Board (GASB).



These financial statements consist of two sections – Management's Discussion and Analysis (this section) and the basic financial statements (including the notes to the financial statements). This report also contains supplementary information in addition to the basic financial statements.

The Board's activities are reported in a single proprietary fund. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The Board's financial statements are prepared on an accrual basis in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. Under this basis of accounting, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred.

Basic Financial Statements

The basic financial statements present information for the Board as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Statement of Net Position; the Statement of Revenues, Expenses, and Changes in Net Position; and the Statement of Cash Flows.

Statement of Net Position

This statement presents the current and long-term portions of assets, deferred outflows of resources, the current and long-term portions of liabilities, and deferred inflows of resources, with the difference reported as net position and may provide a useful indicator of whether the financial position of the Board is improving or deteriorating.

Statement of Revenues, Expenses, and Changes in Net Position

This statement presents information showing how the Board's assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

Statement of Cash Flows

This statement presents information showing how the Board's cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income (loss) to net cash provided (used) by operating activities (indirect method) as required by GASB Statement No. 34.

FINANCIAL ANALYSIS OF THE ENTITY

The condensed statements of net position consist of the following at June 30:

**Comparative Statement of Net
Position As of June 30, 2017, and
June 30, 2016**

	2017	2016	Variance	Variance %
Assets:				
Current assets	\$2,880,154	\$2,606,088	\$274,066	10.52%
Capital assets	102,511	29,604	72,907	246.27%
Total Assets	2,982,665	2,635,692	346,973	13.17%
Deferred outflows of resources	602,256	380,693	221,563	58.20%
Total Assets and Deferred Outflows of Resources	\$3,584,921	\$3,016,385	\$568,536	18.85%
Liabilities:				
Current liabilities	\$62,225	\$64,488	(\$ 2,263)	(3.51%)
Noncurrent liabilities	3,524,569	3,126,152	398,417	12.75%
Total Liabilities	3,586,794	3,190,640	396,154	12.67%
Deferred inflows of resources	66,693	78,671	(11,978)	(15.23%)
Total Liabilities and Deferred Inflows of Resources	\$3,653,487	\$3,269,311	\$384,176	11.75%
Net position:				
Investment in capital assets	\$102,511	\$29,604	\$72,907	246.27%
Unrestricted	(171,077)	(282,530)	111,453	39.45%
Total Net Position	(\$ 68,566)	(\$252,926)	\$184,360	72.89%

Restricted net position represents those assets that are not available for spending as a result of legislative requirements, donor agreements, or grant requirements. Conversely, unrestricted net assets are those that do not have any limitations on how these amounts may be spent.

Current assets increased by \$274,066, or 10.52%, from June 30, 2016, to June 30, 2017. The primary reason for the change is an increase in cash and cash equivalents and certificates of deposit. Capital assets increased for acquisitions during the year ended June 30, 2017.

The condensed statements of revenues, expenses, and changes in net position consist of the following for the years ended June 30:

**Comparative Statement of Changes in Revenues, Expenses, and Net Position For
the Fiscal Years Ended June 30, 2017, and June 30, 2016**

	2017	2016	Variance	Variance %
Operating revenues	\$2,032,535	\$1,995,771	\$ 36,764	1.85%
Operating expenses	1,867,302	1,735,376	(131,926)	(7.60%)
Operating income	165,233	260,395	(95,162)	(36.55%)
Nonoperating revenues	19,127	12,228	6,899	56.42%
Increase in Net Position	184,360	272,623	(88,263)	(32.38%)
Net position, beginning of year	(252,926)	(525,549)	272,623	51.88%
Net position, end of year	(\$ 68,566)	(\$252,926)	\$184,360	72.89%

Net position of the Board increased by \$184,360, or 72.89%, from June 30, 2016, to June 30, 2017. The primary reason is due to an increase in license renewals, and interest income although there was an increase in operating expenses during the year ended June 30, 2017.

CAPITAL ASSETS

For the year ended June 30, 2017, the Board had \$102,511 invested in a broad range of capital assets, including furniture, fixtures, computer equipment, and computer software. This amount represents a net increase (including additions and deductions) of \$72,907, or 246.27%, from last fiscal year.

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

Revenues were \$143,038 over budget, and expenditures were under budget by \$8,198.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Board's elected and appointed officials considered the following factors and indicators when setting next year's budget, rates, and fees:

- There continues to be a rise in disciplinary cases involving in-depth investigational work resulting in formal hearings. The expenses of these hearings are not fully recovered by the fines and fees charged.
- The Board has increased the admission scores required to be admitted into a program. The Board anticipates a decline in admissions, at least temporarily, due to these changes. This factor may decrease revenues.

CONTACTING THE BOARD MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Board's finances and to show the Board's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Lynn Ansardi, Executive Director, at (504) 838-5791.

**LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH
STATE OF LOUISIANA**

**Statement of Net Position
June 30, 2017**

ASSETS

Current assets:

Cash (note 2)	\$856,044
Investments (note 2)	2,019,213
Interest receivable	4,897
Total current assets	2,880,154

Non-current assets:

Property and equipment, net (note 3)	102,511
Total non-current assets	102,511
Total assets	2,982,665

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows related to pensions (note 6)	602,256
Total deferred outflows of resources	602,256

TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$3,584,921
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LIABILITIES

Current liabilities:

Accounts payable	18,298
Accrued payroll expenses	43,927
Total current liabilities	62,225

Noncurrent liabilities:

Compensated absences (note 5)	65,017
OPEB payable (note 7)	640,487
Pension liability (note 6)	2,819,065
Total noncurrent liabilities	3,524,569
Total liabilities	3,586,794

(Continued)

The accompanying notes are an integral part of this statement.

**LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH
STATE OF LOUISIANA**

**Statement of Net Position
June 30, 2017**

DEFERRED INFLOWS OF RESOURCES

Deferred inflows related to pensions (note 6)	<u>66,693</u>
Total deferred inflows of resources	66,693

NET POSITION

Investment in capital assets	102,511
Unrestricted	<u>(171,077)</u>

Total net position	<u>(68,566)</u>
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**TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES
AND NET POSITION**

\$3,584,921

The accompanying notes are integral part of this statement.

**LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH
STATE OF LOUISIANA**

**Statement of Revenues, Expenses, and
Changes in Net Position
For the Fiscal Year Ended June 30, 2017**

OPERATING REVENUES	
Licenses	\$1,820,895
Enforcement actions	199,200
Sales of commodities and services	12,150
Other	290
Total operating revenues	<u>2,032,535</u>
OPERATING EXPENSES	
Commissioners per diem	29,463
Salaries	836,010
Employee benefits	545,690
Operating services	221,078
Supplies	15,166
Professional services	187,553
Travel	18,627
Depreciation	13,718
Total operating expenses	<u>1,867,302</u>
OPERATING INCOME	<u>165,233</u>
NONOPERATING REVENUES	
Interest income	19,127
Total nonoperating revenues	<u>19,127</u>
CHANGE IN NET POSITION	<u>184,360</u>
NET POSITION AT BEGINNING OF YEAR	<u>(252,926)</u>
TOTAL NET POSITION AT END OF YEAR	<u>(\$ 68,566)</u>

The accompanying notes are in integral part of this statement.

**LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH
STATE OF LOUISIANA**

**Statement of Cash Flows
For the Year Ended June 30, 2017**

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from licenses	\$2,032,538
Cash payments to suppliers for goods and services	(448,875)
Cash payments to personnel for services	(1,242,099)
Net cash provided by operating activities	<u>341,564</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of capital assets	<u>(86,625)</u>
Net cash used by capital and related financing activities	<u>(86,625)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from certificates of deposit	691,658
Purchase of certificates of deposit	(517,277)
Interest on investments	18,128
Net cash provided by investing activities	<u>192,508</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>447,447</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>408,597</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$856,044</u>

(Continued)

The accompanying notes are an integral part of this statement.

**LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH
STATE OF LOUISIANA**

**Statement of Cash Flows
For the Year Ended June 30, 2017**

**RECONCILIATION OF OPERATING INCOME TO NET CASH
PROVIDED BY OPERATING ACTIVITIES:**

Operating income	\$165,233
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation	13,718
Loss on disposal of assets	-
Changes in assets and liabilities:	
Increase in deferred outflows related to pensions	(221,563)
Decrease in accounts payable	(6,451)
Increase in salaries and benefits payable	4,188
Decrease in compensated absences	(16,563)
Increase in net pension liability	355,559
Increase in Other Postemployment Benefits payable	59,421
Decrease in deferred inflows related to pensions	(11,978)
Net cash provided by operating activities	<u>\$341,564</u>

The accompanying notes are integral part of this statement.

**LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

INTRODUCTION

The Louisiana State Board of Practical Nurse Examiners (Board) is a component unit of the state of Louisiana created within the Louisiana Department of Health, as provided by Louisiana Revised Statute (R.S.) 37:962. The Board is charged with the responsibility of licensing and regulating practical nurses in the state of Louisiana.

The Board is composed of 13 members appointed by the governor for a term of six years. The Board's operations are funded entirely through self-generated revenues. The Board employs 13 classified employees and one unclassified employee.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The Governmental Accounting Standards Board (GASB) promulgates accounting principles generally accepted in the United States of America and reporting standards for state and local governments. These principles are found in the *Codification of Governmental Accounting and Financial Reporting Standards*, published by GASB. The accompanying financial statements have been prepared in accordance with such principles.

B. REPORTING ENTITY

GASB Codification Section 2100 has defined the governmental reporting entity to be the State of Louisiana. The Board is considered a component unit of the State of Louisiana because the State exercises oversight responsibility in that the governor appoints the Board members and public service is rendered within the State's boundaries. The accompanying financial statements present information only as to the transactions of the Board as authorized by Louisiana statutes and administrative regulations.

Annually, the State of Louisiana issues basic financial statements, which include the activity contained in the accompanying financial statements. The financial statements are audited by the Louisiana Legislative Auditor.

**LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

C. BASIS OF ACCOUNTING

For financial reporting purposes, the Board is considered a special-purpose government engaged only in business-type activities. All activities of the Board are accounted for within a single proprietary (enterprise) fund.

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The transactions of the Board are accounted for using the economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included on the Statement of Net Position.

Under the accrual basis, revenues are recognized in the accounting period when they are earned and expenses are recognized when the related liability is incurred.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and/or producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

D. CASH AND INVESTMENTS

Cash consists of demand deposits. Under state law, the Board may deposit funds within a fiscal agent bank organized under the laws of the state of Louisiana, the laws of any other state in the Union, or the laws of the United States.

The Board's financial instruments, none of which are held for trading purposes, include certificates of deposit. The carrying amounts reported in the Statement of Net Position are stated at costs which approximate fair value.

In accordance with state law, all uninsured deposits of the Board in financial institutions must be secured with acceptable collateral valued at the lower of market or par. Acceptable collateral includes certain U.S. Government or Government Agency securities, certain state of Louisiana or political subdivision debt obligations, or surety bonds. As required by 12 U.S.C.A., Section 1823(e), all financial institutions pledging collateral to the Board must have a written collateral agreement approved by the board of directors or loan committee. Investments are limited by R.S. 49:327 and the Board's investment policy.

E. CAPITAL ASSETS

Capital assets purchased with an original cost of \$1,000 or more are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). Estimated useful life is management's estimate of how long the asset is estimated to meet service demands. Straight-line depreciation is used based on the following estimated useful lives:

	<u>Years</u>
Equipment	5-7
Software	3

**LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

F. EMPLOYEE COMPENSATED ABSENCES

Employees earn and accumulate vacation and sick leave at varying rates, depending on their years of service. The amount of vacation and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees are compensated for up to 300 hours of unused vacation leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused vacation leave in excess of 300 hours plus unused sick leave are used to compute retirement benefits. The cost of current leave privileges are recognized as a current-year expense. The liability for these compensated absences is recorded as a long-term obligation in the Statement of Net Position. The current portion of this debt cannot be reasonably estimated, and accordingly, it is not reported.

G. NONCURRENT LIABILITIES – PENSIONS

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Louisiana State Employees' Retirement System (LASERS), and additions to/deductions from the system's fiduciary net position have been determined on the same basis as they are reported by LASERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

H. NET POSITION

Net position comprises the various net earnings from operations, nonoperating revenues, and expenses. Net position is classified in the following components:

Investment in capital assets consists of all capital assets, net of accumulated depreciation.

Unrestricted net position consists of all other resources that are not included in the other category previously mentioned.

**LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

I. 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 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.

2. CASH AND INVESTMENTS

The Board's cash includes demand deposits with a fiscal agent bank. Investments include nonnegotiable certificates of deposit. At June 30, 2017, the Board's cash and cash equivalents (book balances) consist of the following:

Demand deposits	\$ 856,044
Nonnegotiable Certificate of Deposits	2,019,213
	\$2,875,257
Total	\$2,875,257

Custodial credit risk is the risk that, in the event of a bank failure, the Board's deposits may not be returned to it. Deposits in bank accounts are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are held in the name of the Board or the pledging bank by a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2017, \$1,325,475 of the Board's bank balance of \$2,877,702 was exposed to custodial credit risk because the deposits were uninsured and collateralized with securities held by the pledging institution's trust department or agent but not in the Board's name.

**LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

3. CAPITAL ASSETS

A summary of changes in capital assets and related depreciation for the fiscal year ended June 30, 2017, is as follows:

	Balance June 30, 2016	Additions	Retirements	Balance June 30, 2017
Furniture and equipment	\$194,071	\$4,685	(\$9,474)	\$189,282
Less accumulated depreciation	(164,467)	(13,718)	9,474	(168,711)
Total furniture and equipment	\$29,604	(\$9,033)	-	\$20,751
Software	\$19,410	NONE	NONE	\$19,410
Less accumulated amortization	(19,410)	NONE	NONE	(19,410)
Total software	NONE	NONE	NONE	NONE
Work-in-progress	-	81,940	-	81,940
Total capital assets, net	\$29,604	\$ 72,907	-	\$102,511

4. OPERATING LEASE

The total payments for an operating lease for office space during the fiscal year amounted to \$102,906. The terms of the lease require payments of \$8,575 for 60 months ending on April 1, 2019. The following is a schedule by year of future minimum annual lease payments required under the lease:

Fiscal Year	Total
2018	\$102,906
2019	84,897
	<u>\$187,803</u>

**LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

5. LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities of the Board for the year ended June 30, 2017:

	Balance <u>June 30, 2016</u>	<u>Additions</u>	<u>Reductions</u>	Balance June 30, 2017
Compensated Absences	\$81,580	\$63,688	(\$80,241)	\$65,017
Total	<u>\$81,580</u>	<u>\$63,688</u>	<u>(\$80,241)</u>	<u>\$65,017</u>

Changes in long-term liabilities for Pensions and Other Postemployment Benefits Plan can be found in notes 6 and 7.

6. PENSION

The Board is a participating employer in a statewide, public employee retirement system, the Louisiana State Employees' Retirement System (LASERS). LASERS has a separate board of trustees and administers a cost-sharing, multiple-employer defined benefit pension plan, including classes of employees with different benefits and contribution rates (sub-plans). Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of all sub-plans administered by LASERS to the state Legislature. LASERS issues a public report that includes financial statements and required supplementary information, and a copy of the report may be obtained at www.lasersonline.org.

**LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
DEPARTMENT OF HEALTH
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

General Information about the Pension Plan

Plan Descriptions/Benefits Provided. LASERS administers a plan to provide retirement, disability, and survivor benefits to eligible state employees and their beneficiaries as defined in R.S. 11:411-414. The age and years of creditable service (service) required in order for a member to receive retirement benefits are established by R.S. 11:441 and vary depending on the member's hire date, employer, and job classification. Act 992 of the 2010 Regular Legislative Session closed existing sub-plans for members hired before January 1, 2011, and created new sub-plans for regular members, hazardous duty members, and judges.

The substantial majority of members may retire with full benefits at any age upon completing 30 years of service and at age 60 upon completing 5-10 years of service. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit. Eligibility for retirement benefits and the computation of retirement benefits are provided for in R.S. 11:444. The basic annual retirement benefit for members is equal to a percentage (between 2.5% and 3.5%) of average compensation multiplied by the number of years of service, generally not to exceed 100% of average compensation. Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006, or highest 60 consecutive months of employment for members employed after that date. A member leaving service before attaining minimum retirement but after completing certain minimum service requirements, generally 10 years, becomes eligible for a benefit provided the member lives to the minimum service retirement age and does not withdraw the accumulated contributions.

Eligibility requirements and benefit computations for disability benefits are provided for in R.S. 11:461. All members with 10 or more years of service or members aged 60 or older regardless of date of hire who become disabled may receive a maximum disability benefit equivalent to the regular retirement formula without reduction by reason of age. Hazardous duty personnel who become disabled in the line of duty will receive a disability benefit equal to 75% of final average compensation.

**LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
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NOTES TO FINANCIAL STATEMENTS**

Provisions for survivor benefits are provided for in R.S. 11:471-478. Under these statutes, the deceased member who was in state service at the time of death must have a minimum of five years of service, at least two of which were earned immediately prior to death, or who has a minimum of 20 years of service regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18 or age 23 if the child remains a full-time student. The minimum service requirement is 10 years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

LASERS has established a Deferred Retirement Option Plan (DROP). When members enter DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period up to three years. The election is irrevocable once participation begins. During participation, benefits otherwise payable are fixed and deposited in an individual DROP account. Upon leaving DROP, members must choose among available alternatives for the distribution of benefits that have accumulated in their DROP accounts.

Cost of Living Adjustments. As fully described in Title 11 of the Louisiana Revised Statutes, LASERS allows for the payment of cost of living adjustments, or COLAs, that are funded through investment earnings when recommended by the board of trustees and approved by the Legislature. These ad hoc COLAs are not considered to be substantively automatic.

Contributions. Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily-established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee.

Employer contributions to LASERS for fiscal year 2017 were \$259,997, with active member contributions ranging from 7.5% to 8%, and employer contributions of 35.8%.

**LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
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Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2017, the Board reported a liability of \$2,819,065 for its proportionate share of the LASERS Net Pension Liability (NPL). The NPL for LASERS was measured as of June 30, 2016, and the total pension liability used to calculate the NPL was determined by an actuarial valuation as of that date. The Board's proportion of the NPL was based on projections of the Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of June 30, 2016, the most recent measurement date, the Board's proportion and the change in proportion from the prior measurement date was 0.03590%, or a decrease of 0.00032%.

For the year ended June 30, 2017, the Board recognized a total pension expense of \$289,714. The Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$1,632	\$26,142
Net difference between projected and actual earnings on pension plan investments	351,120	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	7,090	40,551
Employer contributions subsequent to the measurement date	242,414	-
	<u>242,414</u>	<u>-</u>
Total	<u>\$602,256</u>	<u>\$66,693</u>

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Deferred outflows of resources related to pensions resulting from the Board's contributions subsequent to the measurement date will be recognized as a reduction of the LASERS NPL in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2018	\$ 37,572
2019	\$ 35,669
2020	\$ 136,433
2021	\$ 83,475

Actuarial Assumptions. The total pension liability for LASERS in the June 30, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurements:

Valuation Date	June 30, 2016
Actuarial Cost Method	Entry Age Normal
Expected Remaining Service	3 years
Investment Rate of Return	7.75% per annum
Inflation Rate	3% per annum
Mortality - Non-disabled	RP-2000, improvement to 2015
Mortality - Disabled	RP-2000
Termination, Disability,	2009-2013 experience study
Salary Increases	2009-2013 experience study, ranging from 3.0% to 14.5%
Cost of Living Adjustments	Not substantively automatic

**LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
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The long-term expected rate of return was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The target allocation and best estimates of arithmetic/geometric real rates of return for each major asset class are summarized in the following table:

	Target Allocation	Long-term Expected Real Rate of Return
LASERS (geometric)		
Cash	0.00%	-.24%
Domestic equity	27.00%	4.31%
International equity	30.00%	5.48%
Domestic fixed income	10.00%	1.63%
International fixed income	2.00%	2.47%
Alternative investments	24.00%	7.42%
Global asset allocation	7.00%	2.92%
Total	100.00%	5.30%

Discount Rate. The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at contractually-required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the proportionate share of the NPL to changes in the discount rate. The following presents the Board's proportionate share of the NPL using the current discount rate as well as what the Board's proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	1.0% Decrease	Current Discount Rate	1.0% Increase
LASERS	\$3,463,001	\$2,819,065	\$2,271,197

**LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
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Pension plan fiduciary net position. Detailed information about LASERS fiduciary net position is available in the separately issued financial reports referenced above.

Payables to the Pension Plan. At June 30, 2017, the Board had \$0 in payables to LASERS for the June 2017 employee and employer legally required contributions.

7. OTHER POSTEMPLOYMENT BENEFITS PLAN

Plan Description. The Board's employees may participate in the state of Louisiana's Other Postemployment Benefit Plan (OPEB Plan), an agent multiple-employer defined benefit OPEB Plan that provides medical, prescription drug, and life insurance benefits to eligible active employees, retirees, and their beneficiaries.

The state administers the OPEB Plan through the Office of Group Benefits (OGB). R.S. 42:801-883 assigns the authority to establish and amend benefit provisions of the OPEB Plan. OGB offers several standard healthcare plans for both active and retired employees. OGB does not issue a publicly-available financial report of the OPEB Plan; however, it is included in the state of Louisiana's Comprehensive Annual Financial Report (CAFR). The CAFR may be obtained from the Office of Statewide Reporting and Accounting Policy's website at www.doa.la.gov/osrap.

Funding Policy. The contribution requirements of OPEB Plan members and the Board are established and may be amended by R.S. 42:801-883. The OPEB Plan is currently funded on a pay-as-you-go basis through a combination of retiree and Board contributions. Employees do not contribute to their postemployment benefits costs until they become retirees and begin receiving those benefits. The retirees contribute to the cost of retiree healthcare based on a service schedule. Contribution amounts vary depending on what healthcare provider is selected from the OPEB Plan and if the member has Medicare coverage.

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Employer contributions are based on plan premiums and the employer contribution percentage. This percentage is based on the date of participation in an OGB plan (before or after January 1, 2002) and employee years of service at retirement. Employees who begin participation or rejoin the plan before January 1, 2002, pay approximately 25% of the cost of coverage (except single retirees under age 65 who pay approximately 25% of the active employee cost). For those beginning participation or rejoining on or after January 1, 2002, the percentage of premiums contributed by the employer and employee is based on the following schedule:

Service	Employer Percentage	Employee Percentage
Under 10 years	19%	81%
10-14 years	38%	62%
15-19 years	56%	44%
20+ years	75%	25%

In addition to healthcare benefits, retirees may elect to receive life insurance benefits. Basic and supplemental life insurance is available for the individual retiree and spouses of retirees subject to maximum values. Employers pay approximately 50% of monthly premiums. Participating retirees paid \$0.54 each month for each \$1,000 of life insurance and \$0.98 each month for each \$1,000 of spouse life insurance.

Annual OPEB Cost and Net OPEB Obligation. The Board's Annual Required Contribution (ARC) represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation at the end of the year for the Board were as follows:

Net OPEB Obligation at June 30, 2016	<u>\$581,066</u>
ARC	96,930
Interest on net OPEB obligation	22,081
ARC adjustment	<u>(21,620)</u>
Annual OPEB cost	97,931
Contributions made	<u>(37,970)</u>
Net OPEB obligation at June 30, 2017	<u>\$640,487</u>
Percentage of annual OPEB cost contributed	39.33%

**LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
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The following table provides the Board’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the last three fiscal years:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2015	\$100,950	33.44%	\$510,675
6/30/2016	\$106,809	34.10%	\$581,066
6/30/2017	\$ 97,931	39.33%	\$640,487

Funding Status and Funding Progress. As of July 1, 2016 (the most recent actuarial valuation dated July 1, 2015, projected to July 1, 2016) the funded status of the plan was as follows:

Actuarial accrued liability (AAL)	\$1,094,255
Actuarial value of plan assets	NONE
Unfunded actuarial accrued liability (UAAL)	\$1,094,255
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (annual payroll of active employees)	376,927
UAAL as a percentage of covered payroll	290%

Actuarial Methods and Assumptions. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The Schedule of Funding Progress presented as required supplementary information following the notes to the financial statements presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities consistent with the long-term perspective of the calculations.

**LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
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NOTES TO FINANCIAL STATEMENTS**

The July 1, 2017, determination of the accrued liability uses the valuation results and information as of July 1, 2016, from the GASB 45 Actuarial Valuation report dated July 25, 2017, projected to July 1, 2016. In the July 1, 2016, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 3.8% investment rate of return (net of administrative expenses). The UAAL is amortized over the maximum acceptable period of 30 years on an open basis. It is calculated using a level percentage of projected payroll. Other critical assumptions used in the actuarial valuation are the health care cost trend rate and participation assumptions. The health care cost trend assumption is used to project the cost of health care to future years. The valuation uses a health care cost trend rate assumption of 7.0% (6.0% post Medicare) as of July 1, 2016, grading down by 0.5% each year until an ultimate health care cost trend rate of 4.5% is reached. The participation assumption is the assumed percentage of future retirees that participate and enroll in the health plan. The participation breakouts are provided in the table below.

Years of Service	Participation Percentage
<10	56%
10-14	78%
15-19	90%
20+	93%

8. RISK MANAGEMENT

Losses arising from judgments, claims, and similar contingencies are paid through the state's self-insurance fund operated by the Office of Risk Management, the agency responsible for the state's risk management program, or by General Fund appropriation.

There is no pending litigation or claims against the Board at June 30, 2017, which if asserted, in the opinion of the Board's management, would have at least a reasonable probability of an unfavorable outcome or for which resolution would materially affect the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the Board's Proportionate Share of the Net Pension Liability

Schedule 1 presents the Board's Net Pension Liability.

Schedule of Board Contributions

Schedule 2 presents the amount of contributions the Board made to the pension system.

Schedule of Funding Progress for the Other Postemployment Benefits Plan

Schedule 3 presents certain specific data regarding the funding progress for the Other Postemployment Benefits Plan, including the unfunded actuarial accrued liability.

**LOUISIANA STATE BOARD OF PRACTICAL
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DEPARTMENT OF HEALTH STATE
OF LOUISIANA**

**Schedules of Required Supplementary Information
Fiscal Year Ended June 30, 2017**

**Schedule of the Board's Proportionate Share
of the Net Pension Liability** **Schedule 1**

Fiscal Year*	Board's proportion of the net pension liability (asset)	Board's proportionate share of the net pension liability (asset)	Board's covered-employee payroll	Board's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability
Louisiana State Employees' Retirement System					
2015	0.03730%	\$2,332,203	\$695,042	336%	65.0%
2016	0.03622%	\$2,463,506	\$684,226	360%	62.7%
2017	0.03590%	\$2,819,065	\$726,248	388%	57.7%

*Amounts presented were determined as of the measurement date (previous fiscal year-end).

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Schedule of Board Contributions **Schedule 2**

Fiscal Year*	(a) Statutorily- Required Contribution	(b) Contributions in relation to the statutorily- required contribution	(a-b) Contribution Deficiency (Excess)	Board's covered-employee payroll	Contributions as a percentage of covered-employee payroll
Louisiana State Employees' Retirement System					
2015	\$262,563	\$262,563	NONE	\$684,226	38.4%
2016	\$268,617	\$268,617	NONE	\$722,089	37.2%
2017	\$242,414	\$242,414	NONE	\$677,134	35.8%

*Amounts presented were determined as of the end of the fiscal year.

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Notes to Required Supplementary Information

Changes of Benefit Terms include:

A 1.5% COLA, effective July 1, 2014, provided by Act 102 of the 2014 Louisiana Regular Legislative Session, and, improved benefits for certain members employed by the Office of Adult Probation and Parole within the Department of Public Safety and Corrections as established by Act 852 of 2014.

LOUISIANA STATE BOARD OF PRACTICAL
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Schedule of Funding Progress for the Other
Postemployment Benefits Plan Three Fiscal
Years Ended June 30, 2017

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit Cost (b)	Unfunded AAL (UAAL) (b-a)	Fund Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
July 1, 2014	NONE	\$1,113,900	\$1,113,900	0.0%	\$438,800	254%
July 1, 2015	NONE	\$1,201,687	\$1,201,687	0.0%	\$438,797	274%
July 1, 2016	NONE	\$1,094,255	\$1,094,255	0.0%	\$376,927	290%

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**Schedule of Per Diem Paid to Board Members for
the Year Ended June 30, 2017**

<u>Board Member</u>	<u>Amount</u>
Myron L. Collins	\$23,240
Candace M. Melancon	600
A. Kenison Roy, III, M.D.	225
Albertha Prince, LPN	375
Andrew E. Morson, M.D.	450
Barbara J. Gibbs, RN	675
Brent O. Campanella, M.D.	150
Christopher C. Mallett, LPN	825
Gwendolyn Dunn, LPN	375
Janie A. Cypret, LPN	1,200
M. Kaleem Arshad, M.D.	150
Roberta Connelley, RN	1,050
Mohammad Suleman, M.D.	150
	<hr/>
Total	<u><u>\$29,465</u></u>

The Schedule of Per Diem Paid to Board Members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature.

**LOUISIANA STATE BOARD PRACTICAL NURSE EXAMINERS
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER
PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED JUNE 30, 2017**

Agency Head Name: M. Lynn Ansardi, Executive Director

Salary	\$98,030
Benefits – insurance	-
Benefits – retirement	37,794
Car allowance	-
Vehicle provided by entity	-
Per diem	-
Reimbursements	401
Travel	90
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-

**OTHER REPORT REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

The following pages contain a report on internal control over financial reporting and on compliance with laws, regulations, and other matters required by *Government Auditing Standards* issued by the Comptroller General of the United States. The report is based solely on the audit of the financial statements and includes, where appropriate, any significant deficiencies and/or material weaknesses in internal control or compliance and other matters that would be material to the presented financial statements.

GARRETY & ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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*

INDEPENDENT AUDITOR'S REPORT

**LOUISIANA STATE BOARD OF PRACTICAL
NURSE EXAMINERS
DEPARTMENT OF HEALTH
STATE OF LOUISIANA**
Metairie, 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 financial statements of the business-type activities of the Louisiana State Board of Practical Nurse Examiners (Board), a component unit of the State of Louisiana, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements, and have issued our report thereon dated September 1, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Board'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 the Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board's internal control.

GARRETY & ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations and contracts, 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 an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards*.

Required Ethics Training not Completed

The Board's staff and members are not obtaining ethics education in accordance with Louisiana Revised Statute 42:1170(3)(a)(i), which requires that all public servants complete a minimum of one hour of education and training on the Code of Governmental Ethics during each year of their public employment or terms of office.

Based on our procedures, we determined that six (6) of the 13 Board members did not complete the required ethics training in the 2016 calendar year. This was a repeat finding from the prior engagement. Board management, should ensure that each employee and Board member comply with the Code of Governmental Ethics and receive the annual ethics training required by Louisiana law. Management concurred with the finding and provided a corrective action plan (see Appendix A).

GARRETY & ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

Board's Response to the Finding

The Board's response to the finding identified in our audit is attached in Appendix A. The Board's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this communication is distributed by the Legislative Auditor as a public document.



Garrety & Associates, LLC

September 1, 2017



LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017

Exhibit B

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:		Unmodified	
Internal control over financial reporting:			
Material weaknesses identified?	_____ yes	_____ X _____	no
Significant deficiencies identified not considered to be material weaknesses?	_____ yes	_____ X _____	none reported
Noncompliance material to financial statements noted?	_____ yes	_____ X _____	no

Management Letter

Was a management letter issued?	_____ yes	_____ X _____	no
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See independent auditors' report.

LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017

Exhibit B

Section II - Financial Statement Findings

Current Year (June 30, 2017):

Non-Compliance with State Laws and Regulations

2017-001: Required Ethics Training not Completed

Condition: Several board members are not obtaining ethics education in accordance with LRS 42:1170(3)(a)(i).
This was a repeat finding from the prior year.

Criteria: LSA-RS 42:1170(3)(a)(i) requires that all public servants complete a minimum one hour of education and training on the Code of Governmental Ethics during each year of their public employment or terms of office.

Cause: The board members were confused on the timing of obtaining the required ethics training. Several interpreted it be based on the entity's fiscal year and not the calendar year (as required).

Effect: The entity could face sanctions and/or fines from the Ethics Board.

Auditor's Recommendation: The entity's management should ensure that each employee and board member comply with the Code of Governmental Ethics and obtain the annual ethics training required by Louisiana law.

Management's Response: The entity's management will schedule and enroll each board member to obtain the ethics course by June 1 of each year.

Prior Year (June 30, 2016):

Non-Compliance with State Laws and Regulations

2016-001: Required Ethics Training not Completed

Condition: Several board members are not obtaining ethics education in accordance with LRS 42:1170(3)(a)(i).

Criteria: LSA-RS 42:1170(3)(a)(i) requires that all public servants complete a minimum one hour of education and training on the Code of Governmental Ethics during each year of their public employment or terms of office.

Cause: The board members were not aware of the requirement to obtain the required ethics training.

Effect: The entity could face sanctions and/or fines from the Ethics Board.

Auditor's Recommendation: The entity's management should ensure that each employee and board member comply with the Code of Governmental Ethics and obtain the annual ethics training required by Louisiana law.

Management's Response: The entity's management will schedule and enroll each board member to obtain the ethics course by June 1 of each year.

See independent auditors' report.

LOUISIANA STATE BOARD OF PRACTICAL NURSE EXAMINERS
131 AIRLINE DRIVE, SUITE 301
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September 12, 2017

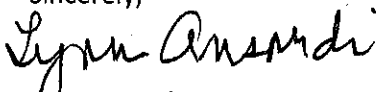
Brent Silva, CPA
Garrety and Associates
1795 W. Causeway Approach
Mandeville, LA 70471

Mr. Silva:

It was brought to our attention that our board was not in compliance with the rules concerning the annual Ethics Training. In order to attempt to rectify this infraction, the following will be instituted:

1. The human resource director will notify the board members, as well as staff, to complete the training by June 1 of each calendar year.
2. Any employee or board member who has not completed the training by this date will be notified and asked to complete the training each week past the deadline until 100% compliance is achieved.

Sincerely,



Lynn Ansardi, RN
Executive Director
Louisiana State Board of Practical Nurse Examiners

**ANNUAL FISCAL REPORT (AFR)
FOR 2017**

AGENCY: 7-15-30 - Louisiana State Board of Practical Nurse Examiners

PREPARED BY: Randy Martinez

PHONE NUMBER: 985-327-7311

EMAIL ADDRESS: randy@pinmarcpa.com

SUBMITTAL DATE: 08/31/2017 04:05 PM

STATEMENT OF NET POSITION

ASSETS

CURRENT ASSETS:

CASH AND CASH EQUIVALENTS	856,044.00
INVESTMENTS:	
OTHER INVESTMENTS	2,019,213.00
RESTRICTED INVESTMENTS - CURRENT	0.00
RECEIVABLES (NET):	
RECEIVABLES - EMPLOYER CONTRIBUTION	
RECEIVABLES - EMPLOYER CONTRIBUTION (GROSS)	0.00
RECEIVABLES - EMPLOYER CONTRIBUTION (ALLOWANCE FOR UNCOLLECTIBLES)	0.00
RECEIVABLES - TUITION AND FEES	
RECEIVABLES - TUITION AND FEES (GROSS)	0.00
RECEIVABLES - TUITION AND FEES (ALLOWANCE FOR UNCOLLECTIBLES)	0.00
RECEIVABLES - OTHER	
RECEIVABLES - OTHER (GROSS)	4,897.00
RECEIVABLES - OTHER (ALLOWANCE FOR UNCOLLECTIBLES)	0.00
PLEDGES RECEIVABLE (NET) - CURRENT	0.00
LEASES RECEIVABLE - CURRENT	0.00
DERIVATIVE INSTRUMENTS	0.00
DUE FROM OTHER FUNDS	0.00
DUE FROM FEDERAL GOVERNMENT	0.00
INVENTORIES	0.00
PREPAYMENTS	0.00
NOTES RECEIVABLE - CURRENT	0.00
OTHER CURRENT ASSETS	0.00
TOTAL CURRENT ASSETS	\$2,880,154.00

NONCURRENT ASSETS:

RESTRICTED ASSETS:	
RESTRICTED CASH - NONCURRENT	0.00
RESTRICTED INVESTMENTS - NONCURRENT	0.00
RESTRICTED RECEIVABLES	0.00
RESTRICTED NOTES RECEIVABLE	0.00
OTHER RESTRICTED ASSETS	0.00
INVESTMENTS - NONCURRENT	0.00
RECEIVABLES (NET) - NONCURRENT:	
NON-CURRENT RECEIVABLES - EMPLOYER CONTRIBUTIONS	0.00
NON-CURRENT RECEIVABLES - TUITION AND FEES	0.00
NON-CURRENT RECEIVABLES - OTHER	0.00
NOTES RECEIVABLE - NONCURRENT	0.00
PLEDGES RECEIVABLE - NONCURRENT	0.00
LEASES RECEIVABLE - NONCURRENT	0.00
CAPITAL ASSETS:	
LAND	0.00
BUILDING & IMPROVEMENTS	
BUILDINGS AND IMPROVEMENTS (GROSS)	0.00
BUILDING & IMPROVEMENTS (ACCUMULATED DEPRECIATION)	0.00
MACHINERY & EQUIPMENT	
MACHINERY AND EQUIPMENT (GROSS)	189,282.00
MACHINERY & EQUIPMENT (ACCUMULATED DEPRECIATION)	(168,711.00)
INFRASTRUCTURE	

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INFRASTRUCTURE (GROSS)	0.00
INFRASTRUCTURE (ACCUMULATED DEPRECIATION)	0.00
INTANGIBLE ASSETS	
INTANGIBLE ASSETS (GROSS)	19,410.00
INTANGIBLE ASSETS (ACCUMULATED AMORTIZATION)	(19,410.00)
CONSTRUCTION IN PROGRESS	81,940.00
OTHER NONCURRENT ASSETS	0.00
TOTAL NONCURRENT ASSETS	\$102,511.00
TOTAL ASSETS	\$2,982,665.00

DEFERRED OUTFLOWS OF RESOURCES

ACCUMULATED DECREASE IN FAIR VALUE OF HEDGING DERIVATIVES	0.00
DEFERRED AMOUNTS ON DEBT REFUNDING	0.00
ADJUSTMENT OF CAPITAL LEASE OBLIGATIONS	0.00
GRANTS PAID PRIOR TO MEETING TIME REQUIREMENTS	0.00
INTRA-ENTITY TRANSFER OF FUTURE REVENUES	0.00
LOSSES FROM SALE-LEASEBACK TRANSACTIONS	0.00
DIRECT LOAN ORIGINATION COSTS FOR MORTGAGE LOANS HELD FOR SALE	0.00
FEES PAID TO PERMANENT INVESTORS PRIOR TO SALE OF MORTGAGE LOANS	0.00
PENSION-RELATED DEFERRED OUTFLOWS OF RESOURCES	602,256.00
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$602,256.00

LIABILITIES

CURRENT LIABILITIES:

ACCOUNTS PAYABLE	
SALARIES, WAGES & RELATED BENEFITS	43,927.00
TRAVEL & TRAINING	0.00
OPERATING SERVICES	18,298.00
PROFESSIONAL SERVICES	0.00
SUPPLIES	0.00
GRANTS & PUBLIC ASSISTANCE	0.00
OTHER CHARGES	0.00
CAPITAL OUTLAY	0.00
ACCRUED INTEREST	0.00
DERIVATIVE INSTRUMENTS	0.00
DUE TO OTHER FUNDS	0.00
DUE TO FEDERAL GOVERNMENT	0.00
UNEARNED REVENUES	0.00
AMOUNTS HELD IN CUSTODY FOR OTHERS	0.00
OTHER CURRENT LIABILITIES	0.00
CURRENT PORTION OF LONG-TERM LIABILITIES:	
CONTRACTS PAYABLE	0.00
COMPENSATED ABSENCES PAYABLE	0.00
CAPITAL LEASE OBLIGATIONS	0.00
NOTES PAYABLE	0.00
BONDS PAYABLE	0.00
POLLUTION REMEDIATION OBLIGATIONS	0.00
ESTIMATED LIABILITY FOR CLAIMS	0.00
OTHER LONG-TERM LIABILITIES	0.00
TOTAL CURRENT LIABILITIES	\$62,225.00

NONCURRENT PORTION OF LONG-TERM LIABILITIES:

CONTRACTS PAYABLE	0.00
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COMPENSATED ABSENCES PAYABLE	65,017.00
CAPITAL LEASE OBLIGATIONS	0.00
NOTES PAYABLE	0.00
BONDS PAYABLE	0.00
POLLUTION REMEDIATION OBLIGATIONS	0.00
ESTIMATED LIABILITY FOR CLAIMS	0.00
NET OPEB OBLIGATION	640,487.00
NET PENSION LIABILITY	2,819,065.00
OTHER LONG-TERM LIABILITIES	0.00
TOTAL LONG-TERM LIABILITIES	\$3,524,569.00
TOTAL LIABILITIES	\$3,586,794.00

DEFERRED INFLOWS OF RESOURCES

ACCUMULATED INCREASE IN FAIR VALUE OF HEDGING DERIVATIVES	0.00
DEFERRED AMOUNTS ON DEBT REFUNDING	0.00
ADJUSTMENT OF CAPITAL LEASE OBLIGATIONS	0.00
GRANTS RECEIVED PRIOR TO MEETING TIME REQUIREMENTS	0.00
SALES/INTRA-ENTITY TRANSFER OF FUTURE REVENUES	0.00
GAINS FROM SALE-LEASEBACK TRANSACTIONS	0.00
POINTS RECEIVED ON LOAN ORIGATION	0.00
LOAN ORIGATION FEES RECEIVED FOR MORTGAGE LOANS HELD FOR SALE	0.00
PENSION-RELATED DEFERRED INFLOWS OF RESOURCES	66,693.00
TOTAL DEFERRED INFLOWS OF RESOURCES	\$66,693.00

NET POSITION:

NET INVESTMENT IN CAPITAL ASSETS	102,511.00
RESTRICTED FOR:	
CAPITAL PROJECTS	0.00
UNEMPLOYMENT COMPENSATION	0.00
ENDOWMENTS - EXPENDABLE	0.00
ENDOWMENTS - NONEXPENDABLE	0.00
DEBT SERVICE	0.00
OTHER PURPOSES	0.00
UNRESTRICTED	\$(171,077.00)
TOTAL NET POSITION	\$(68,566.00)

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STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

OPERATING REVENUES:

SALES OF COMMODITIES & SERVICES	12,150.00
ASSESSMENTS	0.00
USE OF MONEY & PROPERTY	0.00
LICENSES, PERMITS & FEES	2,020,095.00
FEDERAL GRANTS & CONTRACTS	0.00
OTHER	293.00
TOTAL OPERATING REVENUES	\$2,032,538.00

OPERATING EXPENSES:

COST OF SALES & SERVICES	442,424.00
ADMINISTRATIVE	1,411,163.00
DEPRECIATION	13,718.00
AMORTIZATION	0.00
UNEMPLOYMENT INSURANCE BENEFITS	0.00
TOTAL OPERATING EXPENSES	\$1,867,305.00

OPERATING INCOME (LOSS) \$165,233.00

NONOPERATING REVENUES(EXPENSES)

NON-OPERATING INTERGOVERNMENTAL REVENUES	0.00
NON-OPERATING INTERGOVERNMENTAL EXPENSES	0.00
GAIN ON SALE OF CAPITAL ASSETS	0.00
LOSS ON SALE OF CAPITAL ASSETS	0.00
FEDERAL GRANTS	0.00
INTEREST EXPENSE	0.00
OTHER NON-OPERATING REVENUES	19,127.00
OTHER NON-OPERATING EXPENSES	0.00
TOTAL NONOPERATING REVENUES (EXPENSES)	\$19,127.00

INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS \$184,360.00

CAPITAL CONTRIBUTIONS	0.00
TRANSFERS IN	0.00
TRANSFERS OUT	0.00

CHANGE IN NET POSITION \$184,360.00

NET POSITION - BEGINNING **\$(244,964.00)**

NET POSITION - RESTATEMENT (7,962.00)

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NET POSITION - ENDING

\$(68,566.00)

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STATEMENT OF CASH FLOWS

CASH FLOWS FROM OPERATING ACTIVITIES:

RECEIPTS FROM CUSTOMERS	2,032,538.00
RECEIPTS FROM INTERFUND SERVICES PROVIDED	0.00
RECEIPTS FROM INTERFUND REIMBURSEMENTS	0.00
RECEIPTS OF PRINCIPAL/INTEREST FROM LOAN PROGRAMS	0.00
OTHER OPERATING RECEIPTS	0.00
PAYMENTS TO SUPPLIERS & SERVICE PROVIDERS	(448,875.00)
PAYMENTS FOR LOANS MADE UNDER LOAN PROGRAMS	0.00
PAYMENTS TO EMPLOYEES FOR SERVICES	(1,242,099.00)
PAYMENTS FOR INTERFUND SERVICES USED	0.00
PAYMENTS FOR SCHOLARSHIPS AND FELLOWSHIPS	0.00
OTHER OPERATING PAYMENTS	0.00
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$341,564.00

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:

PROCEEDS FROM THE ISSUANCE OF NON-CAPITAL DEBT	0.00
RECEIPTS FROM OPERATING GRANTS	0.00
RECEIPTS FROM OTHER FUNDS	0.00
PAYMENTS FOR PRINCIPAL ON NON-CAPITAL DEBT	0.00
PAYMENTS FOR INTEREST ON NON-CAPITAL DEBT	0.00
PAYMENTS FOR GRANTS AND SUBSIDIES	0.00
PAYMENTS TO OTHER FUNDS	0.00
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	\$0.00

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

PROCEEDS FROM THE ISSUANCE OF CAPITAL DEBT	0.00
RECEIPTS FROM CAPITAL GRANTS	0.00
PROCEEDS FROM THE SALE OF CAPITAL ASSETS	0.00
PAYMENTS TO ACQUIRE, CONSTRUCT & IMPROVE CAPITAL ASSETS	(86,625.00)
PAYMENTS FOR PRINCIPAL ON CAPITAL DEBT	0.00
PAYMENTS FOR INTEREST ON CAPITAL DEBT	0.00
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	\$(86,625.00)

CASH FLOWS FROM INVESTING ACTIVITIES:

PURCHASES OF INVESTMENTS	(517,277.00)
PROCEEDS FROM THE SALE OF INVESTMENTS	691,657.00
INTEREST AND DIVIDENDS	18,128.00
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	\$192,508.00

NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS **\$447,447.00**

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CASH & CASH EQUIVALENTS AT BEGINNING OF YEAR	408,597.00
RESTATEMENT OF BEGINNING CASH AND CASH EQUIVALENTS	0.00
CASH & CASH EQUIVALENTS AT END OF YEAR	\$856,044.00

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:

OPERATING INCOME (LOSS)	\$165,233.00
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ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:

DEPRECIATION/AMORTIZATION	13,718.00
PROVISION FOR UNCOLLECTIBLE ACCOUNTS	0.00
NONEMPLOYER CONTRIBUTING ENTITY REVENUE	0.00
OTHER	0.00
(INCREASE)/DECREASE IN ACCOUNTS RECEIVABLE	0.00
(INCREASE)/DECREASE IN DUE FROM OTHER FUNDS	0.00
(INCREASE)/DECREASE IN PREPAYMENTS	0.00
(INCREASE)/DECREASE IN INVENTORIES	0.00
(INCREASE)/DECREASE IN OTHER ASSETS	0.00
(INCREASE)/DECREASE IN DEFERRED OUTFLOWS RELATED TO PENSIONS	(221,563.00)
INCREASE/(DECREASE) IN ACCOUNTS PAYABLE & ACCRUALS	(2,263.00)
INCREASE/(DECREASE) IN COMPENSATED ABSENCES	(16,563.00)
INCREASE/(DECREASE) IN DUE TO OTHER FUNDS	0.00
INCREASE/(DECREASE) IN UNEARNED REVENUES	0.00
INCREASE/(DECREASE) IN NET OPEB OBLIGATION	59,421.00
INCREASE/(DECREASE) IN NET PENSION LIABILITY	355,559.00
INCREASE/(DECREASE) IN OTHER LIABILITIES	0.00
INCREASE/(DECREASE) IN DEFERRED INFLOWS RELATED TO PENSIONS	(11,978.00)

NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$341,564.00
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**STATEMENT OF CASH FLOWS
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES**

Description	Amount
BORROWING UNDER CAPITAL LEASE(S)	0.00
GAIN ON DISPOSAL OF CAPITAL ASSETS	0.00
LOSS ON DISPOSAL OF CAPITAL ASSETS	0.00
CONTRIBUTIONS OF CAPITAL ASSETS	0.00
OTHER (specify below):	
	0.00

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DEPOSITS WITH FINANCIAL INSTITUTIONS (BANK BALANCES)

	Total Deposits (Bank Balance)	Uninsured and Uncollateralized (Bank Balance)	Uninsured and Collateralized with Securities Held by the Pledging Institution (Bank Balance)	Uninsured and Collateralized with Securities Held by the Pledging Institution's Trust Dept. or Agency but not in the Agency's Name (Bank Balance)
Cash	858,488.00	0.00	0.00	608,488.00
Non-Negotiable Certificates of Deposits	2,019,213.00	0.00	0.00	716,987.00
Money Market Demand Accounts*	0.00	0.00	0.00	0.00
Total	\$2,877,701.00	\$0.00	\$0.00	\$1,325,475.00

Do NOT include any cash or CD's on deposit with the State Treasurer

*DOES NOT Include Money Market Mutual Funds

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INVESTMENTS

Type of Investment	Value	Fair Market Value Hierarchy	Valuation Techniques	Custodial Credit Risk	Credit Risk	Interest Rate Risk
Totals	\$0.00					

Investments should be listed according to their investment type, FMV hierarchy if applicable, and risk disclosures as applicable

Note: Investment types may be used multiple times depending on their FMV hierarchy and applicable risk disclosures.

See the cash & investment note section of the instructions for details on completing this note.

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CHANGES IN VALUATION TECHNIQUES

Type of Investment	Current Year Valuation Technique	Prior Year Valuation Technique	Reason For Change
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GASB Statement No. 72 requires governments to use valuation techniques in assessing the fair value of investments. Per the standard, these valuation techniques should be applied consistently across accounting periods. However, when a government determines that another measurement is more representative of fair value, a change of valuation technique is permitted and disclosure is required.

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DUES AND TRANSFERS

Account Type Amounts due from Other Funds	Intercompany (Fund)	Amount
	Total	\$0.00

Account Type Amounts due to Other Funds	Intercompany (Fund)	Amount
	Total	\$0.00

Account Type Transfers In	Intercompany (Fund)	Amount
	Total	\$0.00

Account Type Transfers Out	Intercompany (Fund)	Amount
	Total	\$0.00

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SCHEDULE OF CAPITAL ASSETS (INCLUDES CAPITAL LEASES)

	Beginning Balance	Prior Period Adjustments	Restated Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not depreciated:						
Land	0.00	0.00	\$0.00	0.00	0.00	\$0.00
Construction in progress	0.00	0.00	\$0.00	\$1,940.00	0.00	\$81,940.00
Total capital assets not depreciated	\$0.00	\$0.00	\$0.00	\$81,940.00	\$0.00	\$81,940.00
Other capital assets:						
Buildings	0.00	0.00	\$0.00	0.00	0.00	\$0.00
Accumulated depreciation	0.00	0.00	\$0.00	0.00	0.00	\$0.00
Total Buildings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Machinery & Equipment	194,071.00	0.00	\$194,071.00	4,685.00	(9,474.00)	\$189,282.00
Accumulated depreciation	(164,467.00)	0.00	\$(164,467.00)	(13,718.00)	9,474.00	\$(168,711.00)
Total Machinery & Equipment	\$29,604.00	\$0.00	\$29,604.00	\$(9,033.00)	\$0.00	\$20,571.00
Infrastructure	0.00	0.00	\$0.00	0.00	0.00	\$0.00
Accumulated depreciation	0.00	0.00	\$0.00	0.00	0.00	\$0.00
Total Infrastructure	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Intangibles	19,410.00	0.00	\$19,410.00	0.00	0.00	\$19,410.00
Accumulated Amortization	(19,410.00)	0.00	\$(19,410.00)	0.00	0.00	\$(19,410.00)
Total Intangibles	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total other capital assets	\$29,604.00	\$0.00	\$29,604.00	\$(9,033.00)	\$0.00	\$20,571.00
Depreciation Total:						\$(13,718.00)

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PENSIONS

System:	Employer Contributions to the Pension Plan between the Measurement Date and the Employer's Fiscal Year-end	Covered-Employee Payroll during the Entity's Current Fiscal Year
LASERS	233,973.00	653,556.00
TRSL	0.00	0.00
LSERS	0.00	0.00
DARS	0.00	0.00
LCCRRF	0.00	0.00
ROVERS	0.00	0.00

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Other Postemployment Benefits (OPEB) - Office of Group Benefits (OGB)

ARC	96,930.00
Interest on NOO	22,081.00
ARC <i>adjustment</i>	<i>(21,620.00)</i>
Annual OPEB expense	\$97,391.00
Contributions (Employer payments to OGB for retirees' CY insurance premiums)	(37,970.00)
Increase in Net OPEB Obligation	\$59,421.00
NOO, beginning of year	581,066.00
NOO, ending of year	\$640,487.00

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OPERATING LEASES

	Buildings	Equipment	Land	Total
2017	102,906.00	0.00	0.00	\$102,906.00
2018	102,906.00	0.00	0.00	\$102,906.00
2019	84,897.00	0.00	0.00	\$84,897.00
2020	0.00	0.00	0.00	\$0.00
2021	0.00	0.00	0.00	\$0.00
2022	0.00	0.00	0.00	\$0.00
2023	0.00	0.00	0.00	\$0.00
2024	0.00	0.00	0.00	\$0.00
2025	0.00	0.00	0.00	\$0.00
2026	0.00	0.00	0.00	\$0.00
2027	0.00	0.00	0.00	\$0.00
2028	0.00	0.00	0.00	\$0.00
2029	0.00	0.00	0.00	\$0.00
2030	0.00	0.00	0.00	\$0.00
2031	0.00	0.00	0.00	\$0.00
2032	0.00	0.00	0.00	\$0.00
2033	0.00	0.00	0.00	\$0.00
2034	0.00	0.00	0.00	\$0.00
2035	0.00	0.00	0.00	\$0.00
2036	0.00	0.00	0.00	\$0.00
2037	0.00	0.00	0.00	\$0.00
2038	0.00	0.00	0.00	\$0.00
2039	0.00	0.00	0.00	\$0.00
2040	0.00	0.00	0.00	\$0.00
2041	0.00	0.00	0.00	\$0.00
2042	0.00	0.00	0.00	\$0.00
Total	\$290,709.00	\$0.00	\$0.00	\$290,709.00

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CAPITAL LEASES

	Buildings	Equipment	Land	Total
2017	0.00	0.00	0.00	\$0.00
2018	0.00	0.00	0.00	\$0.00
2019	0.00	0.00	0.00	\$0.00
2020	0.00	0.00	0.00	\$0.00
2021	0.00	0.00	0.00	\$0.00
2022	0.00	0.00	0.00	\$0.00
2023	0.00	0.00	0.00	\$0.00
2024	0.00	0.00	0.00	\$0.00
2025	0.00	0.00	0.00	\$0.00
2026	0.00	0.00	0.00	\$0.00
2027	0.00	0.00	0.00	\$0.00
2028	0.00	0.00	0.00	\$0.00
2029	0.00	0.00	0.00	\$0.00
2030	0.00	0.00	0.00	\$0.00
2031	0.00	0.00	0.00	\$0.00
2032	0.00	0.00	0.00	\$0.00
2033	0.00	0.00	0.00	\$0.00
2034	0.00	0.00	0.00	\$0.00
2035	0.00	0.00	0.00	\$0.00
2036	0.00	0.00	0.00	\$0.00
2037	0.00	0.00	0.00	\$0.00
2038	0.00	0.00	0.00	\$0.00
2039	0.00	0.00	0.00	\$0.00
2040	0.00	0.00	0.00	\$0.00
2041	0.00	0.00	0.00	\$0.00
2042	0.00	0.00	0.00	\$0.00
Total	\$0.00	\$0.00	\$0.00	\$0.00
Less amounts representing executory costs	0.00	0.00	0.00	\$0.00
Net minimum lease payments	\$0.00	\$0.00	\$0.00	\$0.00
Less amounts representing interest	0.00	0.00	0.00	\$0.00
Present value of net minimum lease payments	\$0.00	\$0.00	\$0.00	\$0.00
Gross Amount of Leased Asset (Historical Cost)	0.00	0.00	0.00	\$0.00

**ANNUAL FISCAL REPORT (AFR)
FOR 2017**

AGENCY: 7-15-30 - Louisiana State Board of Practical Nurse Examiners

PREPARED BY: Randy Martinez

PHONE NUMBER: 985-327-7311

EMAIL ADDRESS: randy@pinmarcpa.com

SUBMITTAL DATE: 08/31/2017 04:05 PM

LESSOR LEASES

	Buildings	Equipment	Land	Total
2017	0.00	0.00	0.00	\$0.00
2018	0.00	0.00	0.00	\$0.00
2019	0.00	0.00	0.00	\$0.00
2020	0.00	0.00	0.00	\$0.00
2021	0.00	0.00	0.00	\$0.00
2022	0.00	0.00	0.00	\$0.00
2023	0.00	0.00	0.00	\$0.00
2024	0.00	0.00	0.00	\$0.00
2025	0.00	0.00	0.00	\$0.00
2026	0.00	0.00	0.00	\$0.00
2027	0.00	0.00	0.00	\$0.00
2028	0.00	0.00	0.00	\$0.00
2029	0.00	0.00	0.00	\$0.00
2030	0.00	0.00	0.00	\$0.00
2031	0.00	0.00	0.00	\$0.00
2032	0.00	0.00	0.00	\$0.00
2033	0.00	0.00	0.00	\$0.00
2034	0.00	0.00	0.00	\$0.00
2035	0.00	0.00	0.00	\$0.00
2036	0.00	0.00	0.00	\$0.00
2037	0.00	0.00	0.00	\$0.00
2038	0.00	0.00	0.00	\$0.00
2039	0.00	0.00	0.00	\$0.00
2040	0.00	0.00	0.00	\$0.00
2041	0.00	0.00	0.00	\$0.00
2042	0.00	0.00	0.00	\$0.00
Total	\$0.00	\$0.00	\$0.00	\$0.00
Cost	0.00	0.00	0.00	\$0.00
Accumulated Depreciation	0.00	0.00		
Carrying Value	\$0.00	\$0.00		

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LONG-TERM DEBT

	Beginning Balance	Prior Period Adjustments	Restated Beginning Balance	Additions	Deletions	Ending Balance	Due within one year
Bonds Payable:							
Bond Series:							
	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unamortized bond premiums and discounts	0.00	0.00	\$0.00	0.00	0.00	\$0.00	0.00
Total bonds payable	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other Liabilities:							
Compensated absences payable	81,580.00	0.00	\$81,580.00	28,232.00	(44,795.00)	\$65,017.00	
Capital lease obligations	0.00	0.00	\$0.00	0.00	0.00	\$0.00	
Notes payable	0.00	0.00	\$0.00	0.00	0.00	\$0.00	
Contracts payable	0.00	0.00	\$0.00	0.00	0.00	\$0.00	
Pollution remediation obligation	0.00	0.00	\$0.00	0.00	0.00	\$0.00	
Net OPEB obligation	581,066.00	0.00	\$581,066.00	97,391.00	(37,970.00)	\$640,487.00	
Claims and litigation	0.00	0.00	\$0.00	0.00	0.00	\$0.00	
Federal disallowed costs	0.00	0.00	\$0.00	0.00	0.00	\$0.00	
Other long-term liabilities	0.00	0.00	\$0.00	0.00	0.00	\$0.00	
Total other liabilities	\$662,646.00	\$0.00	\$662,646.00	\$125,623.00	\$(82,765.00)	\$705,504.00	

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SCHEDULE OF BONDS PAYABLE AMORTIZATION

Fiscal Year Ending:	Principal	Interest
2018	0.00	0.00
2019	0.00	0.00
2020	0.00	0.00
2021	0.00	0.00
2022	0.00	0.00
2023	0.00	0.00
2024	0.00	0.00
2025	0.00	0.00
2026	0.00	0.00
2027	0.00	0.00
2028	0.00	0.00
2029	0.00	0.00
2030	0.00	0.00
2031	0.00	0.00
2032	0.00	0.00
2033	0.00	0.00
2034	0.00	0.00
2035	0.00	0.00
2036	0.00	0.00
2037	0.00	0.00
2038	0.00	0.00
2039	0.00	0.00
2040	0.00	0.00
2041	0.00	0.00
2042	0.00	0.00
2043	0.00	0.00
2044	0.00	0.00
2045	0.00	0.00
2046	0.00	0.00
2047	0.00	0.00
2048	0.00	0.00
2049	0.00	0.00
2050	0.00	0.00
2051	0.00	0.00
2052	0.00	0.00
Premiums and Discounts	\$0.00	
Total	\$0.00	\$0.00

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SCHEDULE OF NOTES PAYABLE AMORTIZATION

Fiscal Year Ending:	Principal	Interest
2018	0.00	0.00
2019	0.00	0.00
2020	0.00	0.00
2021	0.00	0.00
2022	0.00	0.00
2023	0.00	0.00
2024	0.00	0.00
2025	0.00	0.00
2026	0.00	0.00
2027	0.00	0.00
2028	0.00	0.00
2029	0.00	0.00
2030	0.00	0.00
2031	0.00	0.00
2032	0.00	0.00
2033	0.00	0.00
2034	0.00	0.00
2035	0.00	0.00
2036	0.00	0.00
2037	0.00	0.00
2038	0.00	0.00
2039	0.00	0.00
2040	0.00	0.00
2041	0.00	0.00
2042	0.00	0.00
2043	0.00	0.00
2044	0.00	0.00
2045	0.00	0.00
2046	0.00	0.00
2047	0.00	0.00
2048	0.00	0.00
2049	0.00	0.00
2050	0.00	0.00
2051	0.00	0.00
2052	0.00	0.00
Total	\$0.00	\$0.00

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CONTINGENCIES AND COMMITMENTS

Description of Litigation	Date of Action	Amount
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FUND BALANCE/NET POSITION RESTATEMENT

Account Name/Description	Restatement Amount
CURRENT LIABILITIES - SALARIES, WAGES & RELATED BENEFITS	
Description:	(7,962.00)
To correct begin balance due to adjustments after AFR submission in prior year	
Total	\$(7,962.00)

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SUBMISSION

Before submitting, ensure that all data (statements, notes, schedules) have been entered for the agency.

Once submitted no changes can be made to any of the agency data for the specified year.

By clicking 'Submit' below you certify that the financial statements herewith given present fairly the financial position and the results of operations for the year ended in accordance with policies and practices established by the Division of Administration or in accordance with Generally Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board.

Reminder: You must send Louisiana Legislative Auditors an electronic copy of the AFR report in a pdf, tiff, or some other electronic format to the following e-mail address:
LLAFileroom@lla.la.gov.