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July 10, 2017

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Louisiana Legislative Auditor  
1600 N. 3<sup>rd</sup> Street  
Baton Rouge, Louisiana 70802

Re: Barksdale Forward, Inc.

Attached, you will find a revised and restated copy of the cash basis financial statements of Barksdale Forward, Inc. ("BFI") for the year ended December 31, 2015.

These financial statements are being revised and reissued due to the omission of additional fund accounts required to be included in the financial statements of Barksdale Forward, Inc. Prior to the year ended December 31, 2014, the financial statements of BFI included only one fund, reported in the attached financial statements as the General Fund. Effective May 15, 2014, the Greater Shreveport Chamber of Commerce transferred oversight authority of the following funds to BFI:

- Shreveport-Bossier Military Affairs Council
- Celebrate Barksdale (Combined with the Shreveport-Bossier Military Affairs Council in the attached financial statements)
- Barksdale Air Show

Hereinafter, the funds mentioned in the preceding paragraph are collectively referred to as "The Funds". Barksdale Forward, Inc.'s board officially allowed The Funds to utilize its Federal employer identification number at its August 2014 meeting, but BFI's designation as the governance entity for The Funds was not defined. None of The Funds held a separate corporate existence and the need to include The Funds' accounts in the financial statements of BFI was unclear due to the manner in which The Funds were transferred.

Ultimately, BFI determined The Funds should be reported as part of BFI's financial operations. Therefore, the attached financial statements have been adjusted to include The Funds in the financial statements of Barksdale Forward, Inc.

The revised and restated financial statements are intended to replace the financial statements previously filed and, accordingly, we request that you destroy all previous copies of the 2015 financial statements issued to you.

Thank you and may God bless you.

Sincerely,

James K. McClelland, CPA

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Cc: Mr. Murray W. Viser  
President and Chief Operating Officer

Release Date AUG 16 2017

**REISSUE**

**Barksdale Forward, Inc.**

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**Financial Statements**  
**(Cash Basis)**  
Year Ended December 31, 2015

# Barksdale Forward, Inc.

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## **Independent Auditor's Report**

The Board of Directors  
Barksdale Forward, Inc.  
Shreveport, Louisiana

I have audited the accompanying financial statements of Barksdale Forward, Inc. (a nonprofit organization), which comprise the statements of assets, liabilities and net assets (cash basis) for the year ended December 31, 2015, and the related statements of support, revenue and expenses, and changes in net assets (cash basis) for the year then ended, and summary of significant accounting policies and the related notes to financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in the summary of accounting policies; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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***

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I 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. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

***Opinion***

In my opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities and net assets of Barksdale Forward, Inc. (a nonprofit organization) as of December 31, 2015, and its revenue and expenses and the changes in its net assets for the years then ended, in accordance with the basis of accounting described in the summary of accounting policies.

***Other Matters***

My audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The Schedules of Support, Revenue and Expenses for the Barksdale Air Show (cash basis) and Compensation, Benefits and Other Payments to Agency Head (cash basis), year ended December 31, 2015 on pages 13 and 14 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedules of Support, Revenue and Expenses for the Barksdale Air Show (cash basis) and Compensation, Benefits and Other Payments to Agency Head (cash basis) are the responsibility of management and were derived from and relate 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 my opinion, The Schedules of Support, Revenue and Expenses for the Barksdale Air Show (cash basis) and Compensation, Benefits and Other Payments to Agency Head (cash basis) are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Certified Public Accountant

Shreveport, Louisiana  
June 28, 2017

# Barksdale Forward, Inc.

## Statement of Assets, Liabilities and Net Assets (Cash Basis)

December 31, 2015

	General Fund	Shreveport- Bossier Military Affairs Council	Barksdale Air Show	Total
<b>Assets</b>				
<b>Current:</b>				
Cash and cash equivalents (Notes 1 and 2)	\$417,442	\$72,040	\$213,193	\$702,675
	\$417,442	\$72,040	\$213,193	\$702,675
<b>Liabilities and Net Assets</b>				
<b>Liabilities-</b>				
<b>Current</b> – Withheld payroll taxes	\$ 1,569	\$ -	\$ -	\$ 1,569
Total liabilities – all current	1,569	-	-	1,569
<b>Net assets</b>				
Unrestricted	377,642	69,863	213,193	660,698
Temporarily restricted (Note 6)	38,231	2,177	-	40,408
Total net assets	415,873	72,040	213,193	701,106
	\$417,442	\$72,040	\$213,193	\$702,675

*See accompanying summary of significant accounting policies and notes to financial statements.*

**Barksdale Forward, Inc.**  
**Statement of Support, Revenue and Expenses**  
**and Changes in Net Assets (Cash Basis)**  
**Year Ended December 31, 2015**

	General Fund	Shreveport-Bossier Military Affairs Council	Barksdale Air Show	Total
<b>Changes in unrestricted net assets:</b>				
Support and revenue:				
Governmental funding (Note 3)	\$309,269	\$ -	\$ -	\$309,269
Airshow income	-	-	266,700	266,700
Dues and donations	-	71,190	-	71,190
Grants (Note 3)	40,000	-	-	40,000
Golf tournament fee income	-	10,340	-	10,340
Interest and dividend	799	-	-	799
<b>Total support and revenue</b>	<b>350,068</b>	<b>81,530</b>	<b>266,700</b>	<b>698,298</b>
Program services:				
Airshow expense	-	-	181,964	181,964
Consultants and expenses	121,769	-	-	121,769
Salaries and wages	51,900	14,400	30,000	96,300
Golf tournament expense	-	19,225	-	19,225
Travel	14,448	-	-	14,448
Contributions	5,000	-	-	5,000
Contribution to Barksdale Air Force Base	3,000	-	-	3,000
Awards and gifts	-	7,933	-	7,933
Special events	-	5,348	-	5,348
Base Support	-	6,888	-	6,888
Payroll taxes	4,093	1,102	2,295	7,490
Awareness and meetings	4,453	-	-	4,453
Insurance	941	586	-	1,527
<b>Total program services</b>	<b>205,604</b>	<b>55,482</b>	<b>214,259</b>	<b>475,345</b>
Management and general:				
Salaries and wages	51,900	14,400	-	66,300
Office and equipment rental (Note 5)	4,400	4,647	-	9,047
Professional fees	7,100	-	-	7,100
Payroll taxes	4,093	1,101	-	5,194
Office expenses	537	5,370	-	5,907
Miscellaneous	1,061	810	-	1,871
Subscriptions	1,230	-	-	1,230
Insurance	765	-	-	765
<b>Total management and general</b>	<b>71,086</b>	<b>26,328</b>	<b>-</b>	<b>97,414</b>

*(Continued)*



**Barksdale Forward, Inc.**  
**Statement of Support, Revenue and Expenses**  
**and Changes in Net Assets (Cash Basis)**

**Year Ended December 31, 2015**  
*(Concluded)*

	General Fund	Shreveport-Bossier Military Affairs Council	Barksdale Air Show	Total
Increase (decrease) in unrestricted net assets	\$ 73,378	\$ (280)	\$ 52,441	\$125,539
Interfund transfers	(1,285)	1,285	-	-
Increase in unrestricted net assets	72,093	1,005	52,441	125,539
<b>Changes in temporarily restricted net assets:</b>				
Restricted revenue (Note 6)	120,000	44,730	-	164,730
Restricted assets released from restrictions	(81,769)	-	-	(81,769)
Restricted expenses	-	(45,905)	-	(45,905)
Increase (decrease) in temporarily restricted net assets	38,231	(1,175)	-	37,056
Increase (decrease) in net assets	110,324	(170)	52,441	162,595
Net assets, beginning of year, restated	305,549	72,210	160,752	538,511
Net assets, end of year	\$415,873	\$72,040	\$213,193	\$701,106

*See accompanying summary of significant accounting policies and notes to financial statements.*



# Barksdale Forward, Inc.

## Summary of Significant Accounting Policies (Cash Basis)

### Summary of Accounting Policies

This summary of accounting policies of Barksdale Forward, Inc. (the Organization) is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management, who is responsible for their integrity and objectivity. These accounting policies conform to the cash basis of accounting and have been consistently applied in the preparation of the financial statements.

### Nature of Business

Barksdale Forward, Inc. is a Louisiana nonprofit corporation formed on May 1, 1994. The Organization works to promote Barksdale Air Force Base by educating the community about the social, cultural, and economic benefits of Barksdale Air Force Base. It also works within the framework of the Department of Defense as an educational entity describing the benefits to be obtained by continuing and building on the historical relationship between Barksdale Air Force Base and the Shreveport/Bossier communities. The Organization also works to enhance the lives of airmen and their families at Barksdale Air Force Base by providing scholarships and awards, sponsoring an annual golf tournament and other support functions. It also sponsors, in conjunction with the Air Force, an annual air show at Barksdale Air Force Base.

### Method of Accounting

The Organization's policy is to prepare financial statements on the cash receipts and disbursements method of accounting (cash basis); consequently, certain revenues are recognized when cash is received rather than when earned and certain expenses are recognized when cash is disbursed rather than when the obligation is incurred. Financial statements prepared on this basis of accounting are not intended to present financial position and results of operation in accordance with accounting principles generally accepted in the United States of America. The Organization recognizes revenues, expenses, assets, liabilities, and changes in net assets among three fund groups: General Fund, Shreveport-Bossier Military Affairs Council and Barksdale Airshow.

### Income Taxes

As a nonprofit organization, the Organization is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, but must file an annual return with the Internal Revenue Service that contains information on its financial operations. The Organization is required to review various tax positions it has taken with respect to its exempt status and determine whether in fact it continues to qualify as a tax-exempt entity. It must also assess whether it has

*(Continued)*

# Barksdale Forward, Inc.

## Summary of Significant Accounting Policies (Cash Basis)

(Concluded)

### **Income Taxes – (continued)**

any tax positions associated with unrelated business income subject to income tax. The Organization does not expect any of its tax positions to change significantly over the next twelve months. Any penalties related to late filings or other requirements would be recognized as penalties expense in the Organization's accounting records.

The Organization is required to file U.S. Federal Form 990 for informational purposes. Its Federal income tax filings for the tax years ended 2013 and beyond remain subject to examination by the Internal Revenue Service.

### **Functional Expenses**

Expenses are charged directly to program services or management and general expenses in general categories based on specific identification. Payroll and related expenses are allocated equally to program services and management and general expenses.

### **Subsequent Events**

Management evaluated events subsequent to the organizations most recent year end through June 28, 2017, the date the financial statements were available to be issued.

### **Revenue and Support**

Contributions received may be recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Contractual grant revenue is reported as unrestricted support due to the restrictions placed on those funds by the funding sources being met in the same reporting period as the revenue is earned.

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.

# Barksdale Forward, Inc.

## Notes to Financial Statements (Cash Basis)

- 1. Cash and cash equivalents** Included in cash and cash equivalents as of December 31, 2015 are interest bearing accounts totaling \$417,442, respectively.
- 2. Concentrations of Credit Risk** During the year ended December 31, 2015, the Organization maintained a portion of its cash balances at four financial institutions located in Shreveport, Louisiana. These balances are insured separately up to \$250,000. At December 31, 2015, approximately \$142,000 of demand deposits exceeded federal deposit insurance coverage.
- 3. Funding Sources** The Organization received \$274,500 in combined funding from the parishes of Caddo and Bossier and the cities of Shreveport and Bossier City, Louisiana, whose mayors also serve on the Organization's board of directors. The Organization received \$60,000 from the Bossier Parish School Board, whose superintendent serves on the Organization's board of directors. Additionally, the Organization received \$65,000 in grant funding from the Greater Bossier Economic Development Foundation.
- 4. Major Vendor** The Organization had two vendors that accounted for 14% and 14% of total non-payroll expenditures for the year ending December 31, 2015.
- 5. Related Party Transactions** It is the practice of the Organization to reimburse its President and Chief Operating Officer for a pro-rata amount of his office rent and overhead costs. The rent and overhead allocation paid in years ended December 31, 2015 was \$4,400.
- 6. Temporarily Restricted Net Assets** In 2015, the Organization received \$120,000 from the State of Louisiana to engage in certain advocacy activities for the period from May 1, 2015 to June 30, 2016. As of December 31, 2015, the funds remaining to be spent totaled \$38,231. Restricted funds of \$2,177 held in the Shreveport-Bossier Shreveport-Bossier Military Affairs Council are held to provide scholarships to airmen at Barksdale Air Force Base. The \$1,000 scholarships are awarded to 20 airmen each year under a program expected to last through the year ended December 31, 2017.

# **Barksdale Forward, Inc.**

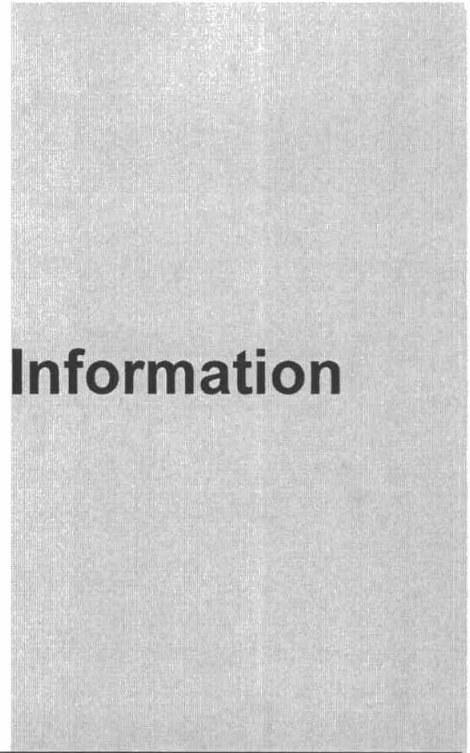
## **Notes to Financial Statements (Cash Basis)**

*(Concluded)*

### **7. Reissuance of Financial Statements**

The financial statements of the Organization were previously issued without including the effects of acquiring the Shreveport-Bossier Shreveport-Bossier Military Affairs Council or Barksdale Air Show. The error was caused by an incomplete understanding of the transaction and the Organization's responsibility with respect to these new programs. Subsequent to the issuance of the original financial statements, it was determined these programs were, in fact, a legal portion of the Organization and should be included in its financial statements. Accordingly, these financial statements are being issued to recognize these programs.

# **Supplemental Information**



# Barksdale Forward, Inc.

## Schedule of Support, Revenue and Expenses for the Barksdale Air Show (Cash Basis) Year Ended December 31, 2015

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Support and revenue:	
Public contributions	\$132,000
President's Club	75,475
Corporate partners	51,225
Convention and Tourist Bureau	8,000
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Total supports and revenue	266,700
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Program service expenses:	
VIP tent catering	55,993
Performers	33,350
Payroll & payroll related	32,295
Fuel	14,697
Marketing and signage	12,437
Accommodations	10,169
Publicity	8,854
Commander's tent	8,050
Friday welcome event	7,770
Saturday night transit	7,397
ICAS meeting	5,595
SVS rentals	4,000
Performer food	3,238
Trolley	2,664
Saturday night party	2,464
Golf carts	1,475
Supplies	1,395
Other	1,362
Professional expenses	654
Postage	400
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Total program service expenses	214,259
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Net income from Airshow operations	\$ 52,441

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## Barksdale Forward, Inc.

### Schedule of Compensation, Benefits and Other Payments to Agency Head (Cash Basis) Year Ended December 31, 2015

#### Murray Viser, President

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Salary	\$ 82,533
Benefits – insurance	-
Benefits – retirement	-
Deferred compensation contributions	-
Car allowance	-
Vehicle provided Barksdale Forward, Inc.	-
Cell phone	-
Dues	-
Vehicle rental	-
Per diem	-
Reimbursements	6,019
Travel	-
Registration fees	330
Conference travel	14,448
Housing	-
Unvouchered expenses	-
Special meals	-
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	\$103,330

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# **Barksdale Forward, Inc.**

## **Schedule of Findings**

**Year Ended December 31, 2015**

2015-001

### **Criteria**

Accounting principles generally accepted in the United States of America require that the financial statements of an entity include all accounts and funds for which that entity is legally responsible. This is a repeat finding.

### **Condition**

The financial statements of Barksdale Forward, Inc. as originally issued for the years ended December 31, 2015 and 2014, did not include the accounts of entities contributed to it by the Greater Shreveport Chamber of Commerce effective May 15, 2014.

### **Cause**

In May 2014, the Greater Shreveport Chamber of Commerce requested that its programs under the titles of Shreveport-Bossier Military Affairs Council, Celebrate Barksdale, and Barksdale Air Show (the "Program's") be allowed to use the taxpayer identification number of Barksdale Forward, Inc. Barksdale Forward, Inc.'s board of directors approved this request in August 2014. At the time, the parties were unaware that the Program's usage of Barksdale Forward, Inc.'s taxpayer identification number would, in fact, cause the de facto merger of the entities into Barksdale Forward, Inc. as it had been paying the payroll for those programs in the past. In early 2017, after significant discussion as to the legal nature of the Programs, it was determined they should, in fact be included in the financial statements of Barksdale Forward, Inc.

### **Effect**

The financial statements of Barksdale Forward, Inc. as of and for the years ended December 31, 2015 and 2014 were materially misstated.

### **Recommendation**

We recommend the financial statements of Barksdale Forward, Inc. as of and for the years ended December 31, 2015 and 2014 be corrected and reissued.

*(Continued)*

**Barksdale Forward, Inc.**

**Schedule of Findings**

**Year Ended December 31, 2015**

*(Concluded)*

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2015-001

**Management's Response**

We agree with this finding and are correcting and reissuing the financial statements as of and for the years ended December 31, 2015 and 2014 as recommended.

**Barksdale Forward, Inc.**  
**Schedule of Prior Year Findings**  
**Year Ended December 31, 2014**

<b>Ref. No.</b>	<b>Fiscal Year Finding Initially Occurred</b>	<b>Description Of Finding</b>	<b>Corrective Action Taken</b>
2014-01	2014	Failure to include programs in financial statements.	Financial statements for 2014 and 2015 have been corrected and reissued.