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ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU

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Alexandria, Louisiana

December 31, 1997

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Release Date 2-23-98



PAYNE, MOORE & HERRINGTON, LLP
Certified Public Accountants
Alexandria, Louisiana

ALEXANDRIA/FOREVILLE AREA CONVENTION AND VISITORS BUREAU

DECEMBER 31, 1990

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PAYNE, MEYER & HERRINGTON, LLP

CHURCH FUND ACCOUNTS

INDEPENDENT AUDITOR'S REPORT

Officers and Directors
Alexandria/Riverside Area Convention
and Visitors Bureau

We have audited the accompanying general purpose financial statements of the Alexandria/Riverside Area Convention and Visitors Bureau, Alexandria, Louisiana, as of and for the year ended December 31, 1997, as listed in the table of contents. These general purpose financial statements are the responsibility of the Bureau's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Alexandria/Riverside Area Convention and Visitors Bureau as of December 31, 1997, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

Income Taxes (27)	Income Taxes (14)	Income Taxes (27)
State Income (14)	Income Tax (27)	Income Tax (27)
Local Taxes (14)	Net (27)	Net (27)





PAYNE, MOORE & HERINGTON, LLP

Officers and Directors
Alexandria/Pineville Area Correction
and Visitors Bureau

In accordance with Government Auditing Standards, we have also issued our report dated February 27, 1999, on our consideration of the Bureau's internal control over financial reporting and our basis of its compliance with certain provisions of law and regulations.

Payne, Moore & Herington, LLP

Certified Public Accountants

February 27, 1999

ADMINISTRATIVE/PORTVILLE RADA CONVENTION AND STATIOM BODING
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 THROUGH 11, 1997

PAGE 1

	COMMERCIAL FUND TYPE		FINANCIAL FUND TYPE		ACCOUNT GROUPS		TOTALS (NON-COMBINATION TOTAL)
	GENERAL	AGENCY FUND	AGENCY FUND	GENERAL FUND-YEAR	AGENCY FUND	OTHER	
ASSETS AND OTHER DEBITS							
ASSETS							
Cash	\$ 60,280	\$103,497	\$	\$	\$	\$	\$413,257
Due from other funds	28,743	37,661					87,404
Accounts receivable	24,666	44,897					81,563
Furniture and equipment:					44,638		44,638
OTHER DEBITS							
Amount to be provided for retirement of general equipment 1997						3,462	3,462
TOTAL ASSETS AND OTHER DEBITS	<u>\$113,689</u>	<u>\$126,055</u>		<u>\$44,638</u>		<u>\$3,462</u>	<u>\$413,257</u>
LIABILITIES, EQUITY, AND OTHER CREDITS							
LIABILITIES							
Due to other funds	\$ 26,194	\$ 47,464	\$	\$	\$	\$	\$ 73,658
Accounts payable	3,427	31,413					34,840
Unofficial dues withheld and payable							
Competition advances					9,488		9,488
Amount held for others							
total liabilities	<u>29,621</u>	<u>78,877</u>				<u>9,488</u>	<u>118,086</u>
EQUITY AND OTHER CREDITS							
Contribution in general fund assets					44,638		44,638
Fund balance - unassigned - undesignated	<u>184,078</u>						<u>184,078</u>
Total equity and other credits	<u>184,078</u>				<u>44,638</u>		<u>228,716</u>
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	<u>\$113,689</u>	<u>\$126,055</u>		<u>\$44,638</u>		<u>\$9,488</u>	<u>\$413,257</u>

The accompanying notes are an integral part of the financial statements.

ALEXANDRIA/KENNERVILLE AREA CONVENTION AND VISITORS BUREAU
GENERAL FUND

STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 1997

EXHIBIT B

REVENUE	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Inter-governmental -			
explore parish hotel-motel tax	\$198,351	\$191,728	\$ 6,623
City of Alexandria - downtown			
tax	32,884	34,883	1,999
State of Louisiana hotel-motel			
tax	48,000	75,725	27,725
Grant - State of Louisiana	15,000	15,000	-
Interest income	1,000	1,182	182
Total Revenues	<u>395,235</u>	<u>427,443</u>	<u>32,208</u>
EXPENDITURES			
Current -			
Collection expenses	5,000	5,223	223
Salaries	192,803	192,851	48
Contract services	8,000	7,861	139
Payroll taxes	15,500	15,378	122
Retirement contributions	9,000	8,221	779
Group hospitalization	28,553	27,782	771
Audit, accounting, and legal	4,700	4,128	572
Gas, oil, and repairs	3,500	3,252	248
Mileage allowance	2,200	1,972	228
News and subscriptions	1,500	4,522	(3,022)
Entertainment and hospitality	1,261	2,545	(1,284)
Travel	20,000	18,960	1,040
Equipment rent	4,500	4,042	458
Automobile rent	950	1,282	(332)
Telephone	13,000	21,714	(8,714)
Utilities	1,000	2,422	(1,422)
Insurance	-	4,187	(4,187)
Maintenance contracts	80	80	-
Repairs and maintenance	2,000	2,448	(448)
Office supplies	12,000	9,222	2,778
Promotional	70,000	74,422	(4,422)
Brochures - printing and			
distribution	8,000	8,483	(483)
Advertising	28,784	17,748	11,036
England tour - retirement grant	15,000	15,000	-
Miscellaneous expense	1,000	580	420
Capital outlay	-	488	(488)
Total Expenditures	<u>528,222</u>	<u>525,722</u>	<u>2,500</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(71,487)	(28,279)	43,208
FUND BALANCE, BEGINNING OF YEAR	128,282	128,282	-
FUND BALANCE, END OF YEAR	\$ 56,795	\$100,003	\$43,208

The accompanying notes are an integral part of the financial statements.

ALEXANDRIA/PINEVILLE AREA CONVENTIONS AND VISITORS BUREAU
DECEMBER 31, 1993

NOTES TO FINANCIAL STATEMENTS

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Alexandria/Pineville Area Convention and Visitors Bureau have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Bureau's accounting policies are described below.

A. Reporting Entity

The Alexandria/Pineville Area Convention and Visitors Bureau (formerly known as the Conventions Commission and the Rapides Parish Convention and Visitors Bureau) was a division of the Greater Alexandria-Pineville Chamber of Commerce. The Bureau became a separate legal entity, as designated by the Louisiana legislature in Act No. 709, House Bill No. 1289 effective for September 1, 1984. The governing body was created as the Rapides Parish Tourism and Convention Commission, while the operating body was named the Rapides Parish Conventions and Visitors Bureau. Through Louisiana Act No. 428, the name of the Bureau was changed during 1991 to Alexandria/Pineville Area Conventions and Visitors Bureau. The purpose of the Bureau is to promote conventions and tourism and to assist with conventions in the local area. Its major source of revenue is from city and parish occupancy taxes collected by local hotels and motels. Therefore, the Bureau is dependent upon hotel/motel occupancy for its revenue.

In evaluating how to define the Bureau, for financial reporting purposes, management has considered all potential component units. The decision whether or not to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB. Generally, component units are legally separate organizations for which the elected officials or appointed board members of the primary government are financially accountable. Some of the criteria considered under "legally separate organization" were the capacity for the organization to have its own name; the right for the organization to sue and be sued in its own name without recourse to the primary government; and the right to buy, sell, lease, and mortgage property in its own name. Some of the criteria used to consider "financially accountable" include: appointment of a voting majority of the organization's governing body; ability of primary government to impose its will on the organization; whether the organization has the potential to provide specific financial benefits to, or improve specific

ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
DECEMBER 31, 1997

NOTES TO FINANCIAL STATEMENTS

financial burdens on the primary government; and fiscal dependence of the organization. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the Bureau's reporting entity.

Excluded from the reporting entity:

Mardi Gras Association, Inc. - This entity was organized and incorporated during 1984 to conduct and account for the local Mardi Gras parade activities beginning with the 1985 parade. Prior to this, all Mardi Gras receipts and expenditures were accounted for within the Special Promotional Events Fund of the Bureau. During 1984, remaining funds were transferred to this new corporation. The corporation is governed by a separate Board of Directors and is not considered part of the Bureau's activities. The amount of money contributed to the Mardi Gras parade from the Bureau, if any, is included in promotional expenses.

The Alexandria/Pineville Area Convention and Visitors Bureau operates autonomously from other parish and city agencies. Therefore, the Alexandria/Pineville Area Convention and Visitors Bureau reports as an independent reporting entity. This report includes all funds and account groups which are controlled by or dependent upon the Bureau.

B. Fund Accounting

The Alexandria/Pineville Area Convention and Visitors Bureau uses funds and account groups to report on its financial position and results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

**ALEXANDRIA/FINNSVILLE AREA CONVENTION AND VISITORS BUREAU
DECEMBER 31, 1993**

NOTES TO FINANCIAL STATEMENTS

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category is, in turn, divided into separate "fund types". The Bureau does not have any proprietary funds.

Governmental funds are used to account for all or most of the government's general activities. The operations of the Bureau are reported in the General Fund.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. Agency funds generally are used to account for assets that the government holds on behalf of others on their agent.

Alexandria Riverfront Center Reserve Fund - an agency fund whereby monies previously received from the State of Louisiana provide a reserve for the payment of operating expenses and emergency expenditures of the Alexandria Riverfront Center. In the event the amount of operating revenues is insufficient for the payment of operating expenses due during the month, or the need arises to make an emergency expenditure, the Alexandria/Finnsville Area Convention and Visitors Bureau and the City of Alexandria may advance the amount from the Reserve Fund to the Operating Fund. The City of Alexandria is required to reimburse such funds, not to exceed \$25,000 in one fiscal year. The Reserve Fund must maintain a balance of \$100,000 or the management agreement between the Bureau and the City may be terminated.

Alexandria Riverfront Center Operating Fund - an agency fund whereby monies received from the State of Louisiana and a hotel-motel city-wide tax are used for the operations of the Alexandria Riverfront Center. The Alexandria Riverfront Center is managed by the Alexandria/Finnsville Area Convention and Visitors Bureau for the City of Alexandria.

The general purpose financial statements of the Alexandria/Finnsville Area Convention and Visitors Bureau contain two account groups. These are the General Fund Assets and General Long-Term Debt Account Groups.

ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
DECEMBER 31, 1993

NOTES TO FINANCIAL STATEMENTS

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Hotel-motel taxes are considered "measurable" when in the hands of the collecting government and are recognized as revenue at that time. A ninety day availability period is used for revenue recognition.

Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt, if any, are recorded as fund liabilities when due.

Those revenues susceptible to accrual are hotel-motel occupancy taxes, matching funds from the state or other entity, and interest revenue.

D. Budgets

Budgets are adopted as a basis consistent with generally accepted accounting principles. An annual appropriated budget is adopted for the General Fund. All annual appropriations lapse at the end of the calendar year.

E. Cash

Cash includes amounts in demand deposits.

ALEXANDRIA/FORSYTHE AREA CONVENTION AND VISITORS BUREAU
DECEMBER 31, 1987

NOTES TO FINANCIAL STATEMENTS

F. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables, if any, are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans are classified as "interfund receivables/payables."

G. Fixed Assets

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in the General Fund, and the related assets are reported in the General Fixed Assets Account Group. All purchased fixed assets are valued at cost. Assets in the General Fixed Assets Account Group are not depreciated.

H. Compensated Absences

Vacated or accumulated vacation leave that is expected to be liquidated with expendable available financial resources, if any, is reported as an expenditure and a fund liability of the General Fund. Amounts of vacated or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the general long-term debt account group. In accordance with the provisions of Statement of Financial Accounting Standards No. 43, Accounting for Compensated Absences, no liability is recorded for accruing accumulating rights to receive sick pay benefits.

I. Memorandum Only - Total Column

The total column on the combined balance sheet is captioned "Memorandum Only" to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles, neither is such data comparable to a consolidation.

ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
DECEMBER 31, 1987

NOTES TO FINANCIAL STATEMENTS

2. Estimates

The preparation of the general purpose financial statements in conformity with generally accepted accounting principles 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 revenues and expenditures during the reporting period. Actual results could differ from those estimates.

3. LEGAL COMPLIANCE - BUDGETS

The Bureau follows these procedures in establishing the budgetary data reflected in these financial statements.

1. The Executive Director prepares an annual proposed budget for the General Fund and submits the same to the Board of the Alexandria/Pineville Area Convention and Visitors Bureau prior to the beginning of each calendar year.
2. Any amendments to the budget must have approval from the Board of the Alexandria/Pineville Area Convention and Visitors Bureau. The level of control is at the fund level.
3. All budgetary appropriations lapse at the end of each calendar year.

Budgets were prepared on a modified accrual basis of accounting and adopted consistent with Louisiana Revised Statutes 48:1381-1384, which provides in part that appropriations for the Fund cannot exceed estimated revenues plus fund balance. The budgeted amounts presented in the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual represent the latest amended budget amounts.

3. CASH

At December 31, 1987, the Bureau's general fund cash consisted of demand deposits held at two financial institutions in the Central Louisiana area. These demand deposits had bank balances totaling \$28,993 and were covered by federal depository insurance. Cash held in agency funds consisted of two bank accounts located at a third Central Louisiana financial institution totaling \$388,833. The balances in these accounts were swept nightly into U.S. Treasury obligations.

**ALEXANDRIA/FORSYTHE AREA CONVENTION AND VISITORS BUREAU
DECEMBER 31, 1987**

BOOKS TO FINANCIAL STATEMENTS

4. DUE TO/FROM OTHER FUNDS

<u>RECEIVABLE FUND</u>	<u>ISSUING FUND</u>	<u>AMOUNT</u>
General Fund	Alexandria Riverfront Center Operating Fund	\$59,749
Alexandria Riverfront Center Operating Fund	Alexandria Riverfront Center Reserve Fund	27,481

5. ACCOUNTS RECEIVABLE

	<u>GENERAL FUND</u>	<u>ALEXANDRIA RIVERFRONT CENTER OPERATING FUND</u>	<u>TOTAL</u>
State of LA hotel-motel tax rebate	559,579	313,714	\$873,293
City of Alexandria hotel-motel tax		12,143	12,143
Other	<u>1,887</u>	<u> </u>	<u>1,887</u>
	\$561,466	\$325,857	\$887,323

6. FIXED ASSETS

Changes in General Fixed Assets are detailed below:

	<u>BALANCE 1/1/87</u>	<u>ACQUISITIONS</u>	<u>DEPRECIATION</u>	<u>BALANCE 12/31/87</u>
Automobile	\$19,322	4	4	\$19,322
Office equipment	39,344			39,344
Furniture and fixtures	<u>11,838</u>	<u>482</u>	<u> </u>	<u>12,320</u>
	\$69,494	\$486	\$4	\$70,476

All of the Bureau's general fixed assets were purchased with general fund revenues. The fixed assets purchased for the Alexandria Riverfront Center are assets of the City of Alexandria and are not included in the Bureau's General Fixed Assets.

**ALEXANDRIA/RIVERFRONT AREA CONVENTION AND VISITORS BUREAU
DECEMBER 31, 1987**

NOTES TO FINANCIAL STATEMENTS

7. LONG-TERM DEBT

The following is a summary of changes in general long-term debts:

	<u>CONVENTION AGENCIES</u>
Balance, beginning of Year	15,811
Plus:	
Additional vacation accrued	3,887
Less:	
Vacation paid out of General Fund	3,811
Balance, End of Year	15,887

8. CHANGES IN ASSETS HELD FOR OTHERS IN AGENCY FUNDS

	<u>ALEXANDRIA RIVERFRONT CENTER RESERVE FUND</u>	<u>ALEXANDRIA RIVERFRONT CENTER OPERATING FUND</u>	<u>TOTAL</u>
Balance, Beginning of Year	\$ 293,225	\$ 18,514	\$411,739
Additions:			
transfer of funds	(121,321)	121,321	-
City of Alexandria, city-wide tax		143,909	143,909
State of LA hotel-motel tax rebate		122,499	122,499
City of Alexandria support	25,890		25,890
Special income		184,437	184,437
Commissions income		3,869	3,869
Interest income	<u>18,383</u>	<u>3,822</u>	<u>22,205</u>
Total Additions	(77,828)	689,567	611,739
Reductions:			
Salaries		121,534	121,534
Computers, furniture, and fixtures		1,699	1,699
Contract labor		87,840	87,840
Collection expenses		1,996	1,996
Dues and subscriptions		1,415	1,415
Professional fees		3,593	3,593
Commissions		3,545	3,545
Equipment maintenance		3,955	3,955
Equipment rental		2,892	2,892
Insurance		28,861	28,861
Maintenance contracts/security		35,827	35,827
Travel		3,443	3,443
Office supplies, postage, and printing		37,344	37,344

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
DECEMBER 31, 1993**

NOTES TO FINANCIAL STATEMENTS

	ALEXANDRIA RIVERFRONT CENTER REVENUE	ALEXANDRIA RIVERFRONT CENTER OPERATIONS EXPENSE	TOTAL
Seminars	\$		\$ 895
Entertainment		3,300	3,300
Supplies and maintenance		17,910	17,910
Taxes		11,800	11,800
Telephone		14,240	14,240
Utilities		122,415	122,415
Other		28	28
Total Reductions		<u>20</u>	<u>20</u>
Balance, End of Year	\$ 315,651	\$ 18,816	\$334,467

9. OPERATING LEASE

The Bureau entered into a sixty month copier operating lease on August 29, 1994, at \$172 per month. Future minimum lease payments on the copier are as follows:

1998	\$ 4,660
1999	4,660
2000	4,660
2001	<u>4,660</u>
	\$18,640

10. MANAGEMENT AGREEMENT

On May 10, 1994, the Alexandria/Pineville Area Convention and Visitors Bureau entered into a management agreement with the City of Alexandria, Louisiana, in which the Bureau agreed to act as General Manager of the business operations of the Alexandria Riverfront Center. The City agreed to maintain ownership of the Center and to provide office space for the Bureau within the Center at no additional cost to the Bureau. The Bureau is responsible for operating budgets, comprehensive staffing plans, marketing plans, rental schedules, advertising, licensing, promotional activities, public relations, and the design and implementation of a financial accounting system for the Center. The Bureau is to provide the City with monthly financial reports within twenty (20) days of the end of each month. As General Manager for the Center, the Bureau is also responsible for exercising its best efforts in minimizing operating expenses and maintaining operating revenues in good faith judgment. The City has the right to obtain information from the Bureau, upon reasonable demand, and to inspect the books and records of the Center as may be necessary to inform the city concerning the Center and its operations. This management agreement expires on the last day of March, 2001, but shall automatically renew for an additional five (5) year period unless notice by either

**ALEXANDRIA/PINEVILLE AREA CONVENTION AND VISITORS BUREAU
DECEMBER 31, 1977**

NOTES TO FINANCIAL STATEMENTS

party is given to the other party which cancels the agreement. Also, this agreement may be terminated if the balance in the Alexandria Riverfront Center falls below \$100,000.

11. DEFERRED CONTRIBUTION PENSION PLAN

The Bureau began a simplified employee pension plan during 1973. An employee is eligible to participate once they have been employed full time with the Bureau for a full year. The Bureau contributes five percent (5%) of the employee's salary to the plan. Monthly contributions were made for employees during 1977 totaling \$8,201.

**OTHER REPORTS REQUIRED BY
GOVERNMENT ACCOUNTING STANDARDS**

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER
FINANCIAL REPORTING BASED ON AN AUDIT OF GENERAL
PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**



FAYNE, MOORE & HERRINGTON, LLP

CIVIL SERVICE BOARD

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER
FINANCIAL REPORTING BASED ON AN AUDIT OF GENERAL
PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

Officers and Directors
Alexandria/Fincastle Area Convention
and Visitors Bureau

We have audited the general purpose financial statements of the Alexandria/Fincastle Area Convention and Visitors Bureau, Alexandria, Louisiana, as of and for the year ended December 31, 1997, and have issued our report thereon dated February 27, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Bureau's general purpose financial statements are free of material misstatement, we performed tests of the compliance with certain provisions of laws and regulations, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with these provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no material instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Bureau's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Bureau's ability to record, process, summarize, and report financial data consistent with





PAYNE, MOORE & HERRINGTON, LLP

Officers and Directors
Alexandria/Bossier Area Convention
and Visitors Bureau

the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 97-01 through 97-04.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe some of the reportable conditions described above are material weaknesses.

This report is intended for the information of the Board of Directors, management, and the Louisiana Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

Payne, Moore & Herrington, LLP

Certified Public Accountants

February 27, 1998

SCHEDULE OF FINDINGS AND QUESTIONS CODED

ALEXANDRIA/PINEVILLE AREA COOPERATIVE AND VISITORS BUREAU
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 1987

PART I - SUMMARY OF AUDITOR'S RESULTS

1. We issued an unqualified opinion on the general purpose financial statements of the Alexandria/Pineville Area Cooperative and Visitors Bureau as of and for the year ended December 31, 1987.
2. Our tests of internal control over financial reporting based on an audit of general purpose financial statements performed in accordance with Government Auditing Standards disclosed some reportable conditions involving the internal control over financial reporting and its operation. These reportable conditions are described in findings 97-01 through 97-04. We do not consider any of the findings to be material weaknesses.
3. Our tests of compliance based on an audit of general purpose financial statements performed in accordance with Government Auditing Standards disclosed no material instances of noncompliance that are required to be reported under Government Auditing Standards.

PART II - FINDINGS RELATING TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED UNDER GOVERNMENT AUDITING STANDARDS

FINDING 97-01 - ACCOUNTS RECEIVABLE

Bureau personnel are not performing a review of the detail in accounts receivable. The balance of accounts receivable in the general ledger was incorrect all year due to a entry made early in the year. We suggest that the detail of accounts receivable be reviewed monthly and corrections be made when necessary.

MANAGEMENT'S RESPONSE

Bureau personnel has instituted a procedure to review accounts receivable each month.

FINDING 97-02 - PAYROLL ITEMS

Calculations for Louisiana and Federal unemployment taxes were not properly computed for the first quarter of 1987. In addition, an Unemployment rate was used in calculating Federal unemployment for another quarter later in the year. These mistakes were not discovered by Bureau personnel. The Form 942 for 1987, due January 31, 1988, was not filed on time because personnel could not reconcile the corrected Form 942 amount to what had been paid earlier during the year. This was corrected with our help during the audit. The first quarter mistakes were a result of having someone without sufficient knowledge or supervision prepare the payroll data. Management has corrected this by assigning the task to a more qualified employee. We suggest that more care be taken when computing the payroll amounts.

ALEXANDRIA/RIVERVILLE AREA CONVENTION AND VISITORS BUREAU
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 1977

MANAGEMENT'S RESPONSE

Careful review of preparation of quarterly tax calculations has been instituted.

FINDING #1-83 - DUE TO/FROM ALEXANDRIA RIVERFRONT CENTER

The amounts due between the Bureau and the Alexandria Riverfront Center are not being reconciled. Even though the Bureau keeps the books for both entities, the amounts due to and from each other did not agree. We suggest that these accounts be reconciled monthly to facilitate proper recording of transactions on both sets of books.

MANAGEMENT'S RESPONSE

Bureau personnel will reconcile the due to/from Alexandria Riverfront Center monthly.

FINDING #1-84 - REVIEW OF TRIAL BALANCE

There were several accounts included in the trial balance of the Alexandria/Riverville Area Convention and Visitors Bureau that should have been adjusted earlier during the year. A review of the trial balance each month would facilitate finding and correcting these mistakes before year-end. We suggest that the trial balance for both sets of books be reviewed each month for accounts which appear incorrect and that action be taken in correcting these amounts.

MANAGEMENT'S RESPONSE

The trial balance will be reviewed monthly.