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MADISON HISTORICAL SOCIETY, INC

Financial Statements

Year Ended December 31, 1999

with

Accountant's Report

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.

Release Date 8-9-00

**MADISON HISTORICAL SOCIETY, INC
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 1999**

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April 17, 2000

Office of Legislative Auditor
Attention: Ms. Joanne Sanders
1600 North Third
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Ms. Sanders:

In accordance with Louisiana Revised Statute 24:514, enclosed are the annual financial statements for Madison Historical Society, Inc. as of and for the year ended December 31, 1999. The report includes all funds under the control and oversight of the Board. The accompanying financial statements have been prepared in accordance with generally accepted accounting principles.

Sincerely,

MADISON HISTORICAL SOCIETY, INC.



WE BRING EXCELLENCE AND INNOVATION TO THE EQUATION

ACCOUNTANT'S REPORT

To the Board of Directors
Madison Historical Society, Inc.
Vicksburg, Mississippi

We have compiled the accompanying statement of financial position of Madison Historical Society, Inc. (a tax exempt organization) as of December 31, 1999, and the related statement of activities and cash flows for the year then ended, in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them. We did become aware of a departure from generally accepted accounting principles that is described in the following paragraph.

Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Organization's financial position, changes in net assets and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

May + Company

Vicksburg, Mississippi
April 17, 2000

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

110 MONUMENT PLACE • POST OFFICE BOX 821568 • VICKSBURG, MISSISSIPPI 39182-1568 • TELEPHONE (601) 636-4762 • FAX (601) 636-9476

email: infoline@maycpa.com • website: www.maycpa.com

**MADISON HISTORICAL SOCIETY, INC
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 1999**

ASSETS

CURRENT ASSETS:

Cash	\$ 9,205
Inventory	<u>350</u>
Total current assets	<u>9,555</u>

PROPERTY:

Land	20,000
Construction in progress	<u>113,928</u>
Total property	<u>133,928</u>

TOTAL ASSETS	\$ 143,483
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Notes payable	\$ <u>1,383</u>
Total current liabilities	<u>1,383</u>

NET ASSETS:

Unrestricted fund balance	<u>142,100</u>
Total net assets	<u>142,100</u>

TOTAL LIABILITIES AND NET ASSETS	\$ 143,483
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See accountant's report.

MADISON HISTORICAL SOCIETY, INC
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 1999

REVENUES:

Memberships	\$ 4,920
Publications	291
Grants	61,381
Donations	7,561
Fund raisers	1,921
Interest income	<u>263</u>
Total revenues	<u>76,337</u>

EXPENSES:

Supporting services:

Accounting	480
Bank service charges	120
Insurance	551
Interest	1,622
Miscellaneous	491
Postage	184
Pest control	76
Utilities	950

Program services:

Northeast Arts Council	<u>5,650</u>
Total expenses	<u>10,124</u>

CHANGE IN NET ASSETS 66,213

NET ASSETS, beginning 75,887

NET ASSETS, ending \$ 142,100

See accountant's report.

**MADISON HISTORICAL SOCIETY, INC
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 1999**

CASH FLOWS FROM OPERATING ACTIVITIES:	
Decrease in net assets	\$ <u>66,213</u>
Net cash provided by operating activities	<u>66,213</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Acquisition of property	<u>(57,615)</u>
Net cash used by investing activities	<u>(57,615)</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Proceeds from notes payable	10,000
Payments on notes payable	<u>(16,530)</u>
Net cash used by operating activities	<u>(6,530)</u>
DECREASE IN CASH	2,068
CASH, beginning	<u>7,137</u>
CASH, ending	\$ 9,205

See accountant's report.

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MADISON HISTORICAL SOCIETY, INC.

Independent Accountant's Report
On Applying Agreed Upon Procedures

Year Ended December 31, 1999



WE BRING EXCELLENCE AND INNOVATION TO THE EQUATION

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Madison Historical Society, Inc.
Tallulah, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Madison Historical Society, Inc., the Legislative Auditor, State of Louisiana, and applicable state grantor agency/agencies solely to assist the users in evaluating management's assertions about Madison Historical Society, Inc.'s compliance with certain laws and regulations during the period ended December 31, 1999 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Federal, State, and Local Awards

- Determine the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

Madison Historical Society, Inc. had no Federal award expenditures for the fiscal year ended December 31, 1999. They received the following amounts from the State of Louisiana:

State of Louisiana Tourism	\$55,323
State of Louisiana Northeast Louisiana Arts Council Louisiana Decentralized Arts Funding Program (Grant Number 99083301)	\$ 6,058

Federal Grant Name	Grant Year	CFDA No.	Amount
Not Applicable			
Total Expenditures			0

- For each Federal, state, and local award, we randomly selected 6 disbursements from each award administered during the period under examination, provided that no more than 30 disbursements would be selected.

Procedures performed without exception from check register.

To the Madison Historical Society, Inc.
Tallulah, Louisiana

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3. For the items selected in procedure 2, we traced the six disbursements to supporting documentation as to proper amount and payee.

We examined supporting documentation for each of the twelve selected disbursements and found that payment was for the proper amount and made to the correct payee.

4. For the items selected in procedure 2, we determined if the twelve disbursements were properly coded to the correct fund and general ledger account.

All of the payments were properly coded to the correct fund and general ledger account.

5. For the items selected in procedure 2, we determined whether the twelve disbursements received approval from proper authorities.

Inspection of documentation supporting each of the twelve selected disbursements indicated approvals from two members of the board.

6. For the items selected in procedure 2: For federal awards, we determined whether the disbursements complied with the applicable specific program compliance requirements summarized in *the Compliance Supplement* (or contained in the grant agreement, if the program is not included in the *Compliance Supplement*) and for state and local awards, we determined whether the disbursements complied with the grant agreement, relating to:

Activities allowed or unallowed:

Disbursements were determined to be in compliance with the grant terms.

Eligibility

Not applicable to both of the grants.

Reporting

Reviewed the close out report for the Louisiana Decentralized Arts Funding Program and noted it was approved by the NLAC official.

7. For the programs selected for testing in item (2) that had been closed out during the period under review, we compared the close-out report, when required, with the entity's financial records to determine whether the amounts agree.

Noted that the Louisiana Decentralized Arts Funding Program close out report agreed with the financial records of the organization.

To the Madison Historical Society, Inc.
Tallulah, Louisiana

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Meetings

8. We examined evidence indicating that agendas for meetings recorded in the minute book were posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Madison Historical Society, Inc., publishes in the local weekly paper the time, date, topic of discussion and location of their meetings. Due to the fact that this organization is only required to post a notice of each meeting and the accompanying agenda on the door of the Madison Historical Society, Inc.'s office building, we feel that they have compiled with the minimum items of this law.

Comprehensive Budget

9. For all grants exceeding five thousand dollars, we determined that each applicable federal, state, or local grantor agency/agency was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

Madison Historical Society, Inc., provided comprehensive budgets to the applicable state grantor agencies for the programs mentioned previously. These budgets specified the anticipated uses of the funds on a twelve-month period.

Prior Comments and Recommendations

10. We reviewed any prior-year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

There were no prior year suggestions since this is the first year that the Madison Historical Society, Inc. has been subjected to the financial reporting requirements of the state law for compilation and attestation agreements.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

To the Madison Historical Society, Inc.
Tallulah, Louisiana

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This report is intended solely for the use of management of Madison Historical Society, Inc., the Legislative Auditor (State of Louisiana), and the applicable state grantor agency/agencies and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

May + Company

Vicksburg, Mississippi
April 17, 2000

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Entities)

Hoy & Company LLP 6/1/2000 (Date Transmitted)
PO Box 801580
Victoria, TX 77901-1580

(Auditors)

In connection with your compilation of our financial statements as of December 31, 1999 and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of (date of December 31, 1999 completion/representation).

Federal, State, and Local Awards

We have detailed for you the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes [] No []

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes [] No []

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes [] No []

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes [] No []

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Yes [] No []

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes [] No []

Prior Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes [] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance which may occur up to the date of your report.

<u>Beverly V. Lancaster</u>	Secretary	<u>6/1/2000</u>	Date
<u>Lois L. Gay</u>	Treasurer	<u>6/1/2000</u>	Date
<u>Deneva R. Williams</u>	President	<u>6/1/2000</u>	Date