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The Shreveport Multicultural Center, Inc.
(a nonprofit organization)
Shreveport, Louisiana

Compiled Financial Statements
with Agreed-upon Procedures
December 31, 1999

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 8-30-00

**The Shreveport Multicultural Center, Inc.
Shreveport, Louisiana**

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The Shreveport Multicultural Center, Inc.
Shreveport, Louisiana

Exhibit A

Statement of Financial Position
December 31, 1999

ASSETS

Current Assets	
Cash	\$ 50,450
Pledges Receivable	6,279
Accounts Receivable	2,000
Prepaid Rent	<u>880</u>
Total Current Assets	<u>59,609</u>
Property and Equipment, net	3,905
Deposits	<u>100</u>
Total Assets	<u>\$ 63,614</u>

LIABILITIES AND NET ASSETS

Current Liabilities	
Accounts Payable	\$ 4,439
Payroll Taxes Payable	<u>968</u>
Total Current Liabilities	<u>5,407</u>
NET ASSETS	
Unrestricted	<u>58,207</u>
Total Net Assets	<u>58,207</u>
Total Liabilities and Net Assets	<u>\$ 63,614</u>

Unaudited; See accountant's compilation report and accompanying notes to financial statements.

The Shreveport Multicultural Center, Inc.
Shreveport, Louisiana

Exhibit B

Statement of Activities
For the Year Ended December 31, 1999

	Unrestricted	Temporarily Restricted	Permanently Restricted	TOTAL
REVENUES, GAINS, AND OTHER SUPPORT				
City of Shreveport	\$ 150,000	\$ -	\$ -	\$ 150,000
Act 10 Appropriation	11,078			11,078
Board Contributions	7,000			7,000
General Donations	6,594	3,175		9,769
Net assets released from restrictions	3,175	(3,175)		-
TOTAL REVENUES, GAINS, AND OTHER SUPPORT	177,847	-	-	177,847
EXPENSES				
Advertising	4,711			4,711
Automobile Gas and Oil	80			80
Bank Service Charges	75			75
Contract Labor	232			232
Contributions -- Charitable	280			280
Depreciation Expense	427			427
Due & Subscriptions	804			804
Entertainment	5,023			5,023
Equipment Rental	644			644
Flowers and Gifts	418			418
Fundraising Expense/Costs	3,235			3,235
Program Expense	24,705			24,705
Insurance	7,699			7,699
Miscellaneous	97			97
Penalties	143			143
Office Supplies	2,932			2,932
Organizational Expense	232			232
Postage	359			359
Printing & Photocopying	1,978			1,978
Professional Fees	14,347			14,347
Rent	7,580			7,580
Salaries	35,651			35,651
Seminars, Business	1,245			1,245
Taxes and Licenses	500			500
Taxes, Payroll	2,727			2,727
Telephone	1,609			1,609
Travel -- Hotel & Transportation	1,907			1,907
TOTAL EXPENSES	119,640	-	-	119,640
CHANGE IN NET ASSETS	58,207	-	-	58,207
NET ASSETS, BEGINNING OF YEAR	-	-	-	-
NET ASSETS, END OF YEAR	\$ 58,207	\$ -	\$ -	\$ 58,207

Unaudited; See accountant's compilation report and accompanying notes to the financial statements.

The Shreveport Multicultural Center, Inc.
Shreveport, Louisiana

Statement of Cash Flows
For the Year Ended December 31, 1999

Exhibit C

CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase (Decrease) in Net Assets	\$	58,207
Adjustments to Reconcile Net Assets to		
Net Cash Provided by Operating Activities:		
Depreciation		427
Decrease (Increase) in:		
Accounts and Pledges Receivable	(8,279)
Prepaid Expenses	(880)
Deposits	(100)
Increase in:		
Accounts Payable		4,439
Payroll Taxes Payable		968
NET CASH PROVIDED BY OPERATIONS		<u>54,782</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of Property and Equipment	(<u>4,332)</u>
NET CASH USED BY INVESTING ACTIVITIES	(<u>4,332)</u>
NET INCREASE IN CASH		50,450
CASH – BEGINNING		<u>-</u>
CASH – ENDING	\$	<u><u>50,450</u></u>

Unaudited; See accountant's compilation report and accompanying notes to financial statements.

The Shreveport Multicultural Center, Inc.
Shreveport, Louisiana

Notes to Financial Statements
December 31, 1999

Note 1 ORGANIZATION

The Shreveport Multicultural Center, Inc. (Organization), a nonprofit organization, was formed in August 1998 and began operations on January 20, 1999 to create a multicultural center to promote tourism and educate the general public and visitors about the rich diversity and history of Shreveport-Bossier and Northwest Louisiana. The Organization's support comes primarily from local and state sources.

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of 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 the integrity and objectivity of the financial statements. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Pledges Receivable

Each member serving on the board of the Organization is required to make a one-time contribution of \$250. Pledges receivable are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional.

The Organization uses the allowance method to determine uncollectible pledges receivable. As of December 31, 1999, there were no amounts deemed uncollectible.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Equipment and Depreciation

Purchased property and equipment are capitalized at cost. Expenditures for major renewals and betterments that extend the useful lives of property and equipment are also capitalized. It is the Organization's policy to capitalize expenditures for these items in excess of \$500. Expenditures for maintenance and repairs are charged to expense as incurred. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the related assets.

Financial Statement Presentation

The Organization has adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Organization is required to present a statement of cash flows.

Net Asset Under the provisions of Statement of Financial Accounting Standards No. 117, "Financial Statements for Not-For-Profits" (FAS 117), net assets and revenues and contributions, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted net assets – Net assets which are not subject to donor-imposed stipulations. Support 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.

Temporarily restricted net assets - Net assets which are subject to donor-imposed stipulations which may or will be met either by actions of the Organization and/or the passage of time. All donor-restricted support is reported as an increase in temporarily restricted net assets. When a restriction expires (i.e., 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.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations requiring they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes.

All donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Contributions

The Organization has adopted Statement of Financial Accounting Standards (SFAS) No. 116, "Accounting for Contributions Received and Contributions Made." Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Note 3 RESTRICTIONS ON NET ASSETS

There were no temporarily or permanently restricted net assets at December 31, 1999.

Note 4 CASH

Cash consists of demand deposits at a commercial bank. The balance, at the commercial bank, as reflected in the bank's records, is insured by the Federal Deposit Insurance Corporation up to \$100,000. At December 31, 1999, all of the Organization's cash balance was fully insured by the Federal Deposit Insurance Corporation.

Note 5 RELATED PARTY TRANSACTIONS

During the year ended December 31, 1999, The Shreveport Multicultural Center, Inc. was a party to transactions occurring in the normal course of business with individuals that serve as members on the board of directors of the Organization. The Organization paid \$9,928 for general insurance and advertising.

Note 6 **PROPERTY AND EQUIPMENT**

Property and equipment consist of the following:

Equipment	\$	4,332
Less: Accumulated depreciation	(<u>427</u>)
Total	\$	<u>3,905</u>

Note 7 **CONCENTRATIONS AND DEPENDENCE**

The Organization received approximately eighty-four (84%) percent of their operating revenue from the City of Shreveport ("City"). The Louisiana Legislature authorized the City, through Senate Bill No. 1340 (R.S. 4:552(A)(5)), to levy a three-dollar admission fee at riverboat casino locations within its territorial limits. The legislature directed that \$200,000 be allocated annually out of these fees for the "acquisition of land, construction, maintenance, and operation of a multicultural center to be located within the city limits of Shreveport."

Note 8 **LEASING ARRANGEMENTS**

On May 1, 1999, the Organization entered into a month-to-month facility lease to conduct its operations. There is an option to renew the lease on a monthly basis. The Organization also leases certain equipment under the same monthly operating lease. Rent expense for 1999 was \$7,580.

ROBERTS, CHERRY & COMPANY
Certified Public Accountants, Consultants

Accountant's Compilation Report

To The Board of Directors
The Shreveport Multicultural Center, Inc.
Shreveport, Louisiana

We have compiled the accompanying financial statements of The Shreveport Multicultural Center, Inc. as of December 31, 1999 and the related statements of activities and cash flows for the year ended December 31, 1999, 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.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report, dated June 1, 2000, on the results of our agreed-upon procedures.

ROBERTS, CHERRY AND COMPANY
ROBERTS, CHERRY and COMPANY

A Corporation of
Certified Public Accountants
Shreveport, Louisiana
June 1, 2000

Independent Accountant's Report
on Applying Agreed-Upon Procedures

To The Board of Directors
The Shreveport Multicultural Center, Inc.
Shreveport, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* enumerated below, which were agreed to by the management of The Shreveport Multicultural Center, Inc., the Legislative Auditor, State of Louisiana, and applicable state grantor or agency/agencies solely to assist the users in evaluating management's assertions about The Shreveport Multicultural Center, Inc.'s compliance with certain laws and regulations during the period ended December 31, 1999 included in the *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

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

The Shreveport Multicultural Center, Inc.'s Federal award expenditures for all Federal programs for the fiscal year follow:

There were no Federal awards for year ended December 31, 1999.

The Shreveport Multicultural Center, Inc.'s local award expenditures for the fiscal year follow:

Local Award Name	Grant Year	CFDA	Amount
City of Shreveport	1999	NA	\$119,278
Total Expenditures			\$119,278

The Shreveport Multicultural Center, Inc.'s state award expenditures for the fiscal year follow:

State Award Name	Grant Year	CFDA	Amount
Act 10 Appropriation – Shreveport Riverfront & Convention Center & Independence Stadium Fund	1999	NA	\$362
Total Expenditures			\$362

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

We selected a total of 8 disbursements; 6 disbursements from the local award and 2 (of only 2) disbursements from the state award.

3. **For the items selected in procedure 2, trace the disbursements to supporting documentation as to proper amount and payee.**

We examined supporting documentation for each of the 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, determine if the selected disbursements were properly coded to the correct general ledger account.**

The items selected in procedure 2 were properly coded to the correct general ledger account.

5. **For the items selected in procedure 2, determine whether the selected disbursements received approval from proper authorities.**

Inspection of documentation supporting each of the selected disbursements indicated approvals from a board member and the chairman of the board.

6. **For the items selected in procedure 2: For Federal awards, determine 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, determine whether the disbursements complied with the grant agreement, relating to:**

Activities allowed or unallowed:

We reviewed compliance guidelines for each disbursement selected in procedure 2 and noted that all disbursements were allowed.

Eligibility

Not Applicable

Reporting

The Shreveport Multicultural Center, Inc. is required to send to the State Treasury at least every six months a written report concerning the use of the appropriation. The written report is due after December 31st and June 30th and should reflect, for the appropriation amount only, the current budget, the expenditures as of the reporting date, the anticipated expenditures for the remainder of the fiscal year and the actual figures for the portion completed of your measures of performance.

The Shreveport-Multicultural Center, Inc. filed the December 31, 1999 written report on April 3, 2000 and is in compliance. The Organization was not required to file a June 30, 1999 report due to the first appropriation not being received until November 30, 1999.

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

There were no closed programs selected for testing in procedure 2; therefore, we were not required to compare the close-out report with the entity's financial records to determine whether the amounts agree.

Meetings

8. **Examine 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).**

The Shreveport Multicultural Center, Inc. does not meet the criteria as a public body; therefore, they are not required to have meetings posted as required by the open meetings law (LSA-RS 42:1 through 42:12).

9. **For all grants exceeding five thousand dollars, determine that each applicable federal, state, or local grantor agency/agencies 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.**

The Shreveport Multicultural Center, Inc. provided comprehensive budgets to the applicable state and local grantor agencies for the programs mentioned previously. These budgets specified the anticipated uses of the fund estimates of the duration of the projects, and plans showing specific goals and objectives that included measures of performance.

Prior Comments and Recommendations

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

December 31, 1999 is the first time The Shreveport Multicultural Center, Inc. has been subjected to compilation and attestation standards; accordingly, there are no prior-year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

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.

This report is intended solely for the use of management of The Shreveport Multicultural Center, 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. However, this report is a matter of public record and its distribution is not limited.

ROBERTS, CHERRY AND COMPANY
ROBERTS, CHERRY AND COMPANY

A Corporation of
Certified Public Accountants
Shreveport, Louisiana
June 1, 2000

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

June 30, 2000 (Date Transmitted)

Roberts, Chery and Company

650 Olive Street

Post Office Box 4278, Shreveport

Louisiana 71134-0278

(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 completion/representation). June 1, 2000

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).

N/A 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.

N/A 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.

	Secretary		Date
<i>Deborah J. Coleman</i>	Treasurer	<i>6/29/00</i>	Date
<i>Dr. Steven Clark</i>	President	<i>6/29/00</i>	Date