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October 15, 1980

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Board of Directors
LSU in Shreveport Foundation, Inc.
Shreveport, Louisiana

Legislative Auditor, State of Louisiana
Baton Rouge, Louisiana

Independent Accountant's Report on Auditing Agreed-Upon Procedures

We have performed the procedures enumerated below, which were agreed-to by the management of LSU in Shreveport Foundation, Inc. and the Legislative Auditor of the State of Louisiana, solely to assist the users in evaluating management's assertions about the effectiveness of LSU in Shreveport Foundation, Inc.'s internal control structure over compliance with requirements concerning the Endowed Scholars Endowed Chairs Program and the Endowed Professorship Program during the year ended June 30, 1980. The LSU in Shreveport Foundation, Inc. manages two endowments for LSU in Shreveport, the American Studies Program and the Latin Studies Program. This agreed-upon procedure 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 purposes for which this report has been requested or for any other purpose.

Procedures:

We reviewed the following assertions concerning the two endowments mentioned above:

1. The state portion of the endowments complied with Louisiana State University System investment policy and applicable Louisiana Revised Statutes.
2. The private portion of the endowments complied with the Foundation's investment regulations as required by Attorney General Opinion No. 93-455.
3. The annual financial reports for the two endowments submitted to the Board of Regents for Higher Education were maintained in the accounting records of the Foundation.
4. Endowment earnings were reinvested as principal endowments in accordance with the Board of Regents for Higher Education's policy.

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5. The proceeds of the endowments were used in relation to or as a supplement for salaries or for other expenses related to scholarly work for eligible faculty members.
6. The Foundation complied with all provisions of the Management Agreement with the University.
7. Investment earnings generated from pooled assets involving endowed chair money have been properly allocated to the chairs in accordance with Board of Regents policies.
8. The liability for the endowments as reported in the LSU in Shreveport Foundation's audited financial statements agrees to the asset in the LSU in Shreveport's books.

Findings and Recommendations:

The LSU in Shreveport Foundation, Inc. appeared to comply with the assertions which are listed above, for the year ended June 30, 1997.

We were not engaged to, and did not, perform an examination specifically concerning the assertions as listed above, the objective of which would be the expression of an opinion on management's assertion. 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 the board of directors and the Louisiana State University System 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.

Heath, McElroy + Ventral, LLP

Under provisions of state law, this report is a public document. A copy of the report has been deposited in the auditor, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the State House office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date: NOV 12 1997