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LOUISIANA ASSOCIATION OF PLANNING
AND DEVELOPMENT DISTRICTS
AUDIT REPORT
DECEMBER 31, 1998

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 7-14-99

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INDEPENDENT AUDITOR'S REPORT

April 21, 1999

Board of Directors
Louisiana Association of Planning
and Development Districts

Gentlemen:

I have audited the accompanying general purpose financial statements of the Louisiana Association of Planning and Development Districts (LAPDD), as of December 31, 1998 and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of LAPDD's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my 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. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.


In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of LAPDD, as of December 31, 1998, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report Dated April 21, 1999, on my consideration of LAPDD's internal control over financial reporting and my test of its compliance with laws, regulations, contracts and grants.

Board of Directors
Louisiana Association of Planning
and Development District
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My audit was made for the purpose of forming an opinion on the general purpose financial statements of LAPDD taken as a whole. The accompanying supplemental information is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and in my opinion, is fairly presented in all material respects in relation to the general purpose financial statements.

Respectfully,



Pat Baham Dought

A Certified Public Accountant

LOUISIANA ASSOCIATION OF PLANNING
AND DEVELOPMENT DISTRICTS
BALANCE SHEET
DECEMBER 31, 1998

	GOVERNMENTAL FUND TYPES	
	GENERAL	SPECIAL REVENUE
ASSETS		
CASH IN BANK	\$38,553.89	\$ -
ACCOUNTS RECEIVABLE-DED	-	26,668.00
	<u>\$38,553.89</u>	<u>\$26,668.00</u>
TOTAL ASSETS	<u>\$38,553.89</u>	<u>\$26,668.00</u>
LIABILITIES		
ACCOUNTS PAYABLE	\$ 498.56	\$26,668.00
FUND BALANCE	<u>38,055.33</u>	-
TOTAL LIABILITIES AND FUND BALANCE	<u>\$38,553.89</u>	<u>\$26,668.00</u>

SEE NOTES TO FINANCIAL STATEMENTS
(2)

LOUISIANA ASSOCIATION OF PLANNING
AND DEVELOPMENT DISTRICTS
ALL GOVERNMENTAL FUND TYPES
COMBINED STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 1998

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>
REVENUES		
ENTERPRISE ZONE	\$ -	\$ 80,000.00
LOCAL FUNDS	4,000.00	-
TOTAL REVENUES	<u>4,000.00</u>	<u>80,000.00</u>
EXPENDITURES		
GENERAL GOVERNMENT	2,674.76	-
ENTERPRISE ZONE	-	80,000.00
TOTAL EXPENDITURES	<u>2,674.76</u>	<u>80,000.00</u>
EXCESS REVENUES (EXPENDITURES)	1,325.24	-0-
OTHER SOURCES		
INTEREST INCOME	<u>792.13</u>	-
EXCESS EXPENDITURES OVER REVENUES AND OTHER SOURCES	2,117.37	-
FUND BALANCE-BEGINNING OF YEAR	<u>35,937.96</u>	<u>-</u>
FUND BALANCE-END OF YEAR	<u><u>\$38,055.33</u></u>	<u><u>\$ -</u></u>

SEE NOTES TO FINANCIAL STATEMENTS
(3)

LOUISIANA ASSOCIATION OF PLANNING
AND DEVELOPMENT DISTRICTS
ALL GOVERNMENTAL FUND TYPES
COMBINED STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 1998

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
ENTERPRISE ZONE	\$ -	\$ -	\$ -
LOCAL FUNDS	4,000.00	4,000.00	-
TOTAL REVENUES	4,000.00	4,000.00	-
EXPENDITURES			
GENERAL GOVERNMENT	4,000.00	2,674.76	1,325.24
ENTERPRISE ZONE PROGRAM	-	-	-
TOTAL EXPENDITURES	4,000.00	2,674.76	1,325.24
EXCESS REVENUES (EXPENDITURES)	0.00	1,325.24	1,325.24
OTHER SOURCES			
INTEREST INCOME	800.00	792.13	(7.87)
EXCESS REVENUES AND OTHER SOURCES OVER EXPENDITURES	\$ 800.00	2,117.37	\$ 1,317.37
FUND BALANCE-BEGINNING OF YEAR		35,937.96	
FUND BALANCE END OF YEAR		\$38,055.33	

SPECIAL REVENUE FUND

<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
\$ 80,000.00	\$ 80,000.00	\$ 0.00
-	-	-
<u>80,000.00</u>	<u>80,000.00</u>	<u>0.00</u>
80,000.00	80,000.00	0.00
-	-	-
<u>80,000.00</u>	<u>80,000.00</u>	<u>0.00</u>
<u>0.00</u>	0.00	<u>0.00</u>

0.00

0.00

SEE NOTES TO FINANCIAL STATEMENTS

LOUISIANA ASSOCIATION OF PLANNING & DEVELOPMENT DISTRICTS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1998

NOTE A - Summary of Significant Accounting Policies

The accounting and reporting policies of the Louisiana Association of Planning & Development Districts conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the *Louisiana Municipal Audit and Accounting Guide*, and to the industry audit guide, *Audits of State and Local Governmental Units*.

The following is a summary of certain significant accounting policies:

Financial Reporting Entity - LAPDD is considered a legally separate stand-alone government as defined by Statement No. 14 of the Governmental Accounting Standards Board. The reporting entity is composed of the funds and account groups that are under the direct control of the Board of Directors. LAPDD is not financially responsible for any organizations that maintain separate legal standing; therefore, it has no component units.

Fund Accounting - The accounts of the Louisiana Association of Planning & Development Districts are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into one generic fund type and one broad fund category as follows:

Governmental Funds

General Fund - The General Fund is the general operating fund of the Association. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Fixed Assets - The accounting and reporting treatment applied to the fixed assets associated with a fund are determined by its measurement focus.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, and recorded as expenditures in the governmental fund types when purchased. No depreciation has been provided on general fixed assets. Fixed Assets are valued at historical cost. Donated assets, if applicable, are valued at their estimated fair value on the date donated.

At December 31, 1998, the Association had no fixed assets.

Basis of Accounting - All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Revenues under cost reimbursement grants are recognized when the related costs are expended. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred except that accumulated unpaid vacation and sick pay are not accrued and principal and interest on general long-term debt (if applicable) is recognized when due. Purchase of various operating supplies are regarded as expenditures at the time purchased.

Budgets and Budgetary Accounting - Budgets for the various programs are prepared according to source and object by the program consultant and the Executive Director. All budgets are submitted to the Board of Directors for final approval. Once Board approval and adoption is complete, the budget is then entered into the financial statements and monthly comparisons are made. Six months into the year a budget revision is completed if necessary and the same procedures are followed as with the original budget. The budgets are prepared on a basis consistent with generally accepted accounting principles (GAAP).

Revenues (if any) from intergovernmental grants which are received before costs are incurred are deferred until such costs are expended.

Revenues from intergovernmental grants which are on a cost reimbursement basis are recognized as such costs are obligated and the resultant receivable accrued.

NOTE B - Cash and Investments

Cash and Investments consisted of the following:

Cash	\$ 6,712
Money Market Investment	<u>31,842</u>
	\$ 38,554

All cash and money market investments are insured by the Federal Deposit Insurance Corporation (FDIC). These accounts did not exceed FDIC limits during the year.

NOTE C - Interfund Receivables, Payables

There were no interfund receivables or payables for the year.

NOTE D - Board of Directors

All services provided by board members of the Association are on a voluntary basis and they receive no compensation for serving as a director or officer nor do they receive any per diem or travel allowances.

NOTE E - Economic Dependency

The association receives a substantial portion of its revenues from grants and local dues payments from its member districts. Any substantial change in any of these components could have adverse effects on the association's financial condition.

NOTE F - Used of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the following:

1. Reported amounts of assets and liabilities
2. Disclosure of contingent assets and liabilities at the financial statements date
3. Reported amounts of revenues and expenses during that period

Actual amounts could differ from estimates.

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

April 21, 1999

Board of Directors
Louisiana Association of Planning &
Development Districts

I have audited the financial statements of LAPDD, Inc. as of and for the year ended December 31, 1998, and have issued my report thereon dated April 21, 1999. I conducted my 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 LAPDD's financial statements are free of material misstatements, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered LAPDD's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material

Board of Directors
Louisiana Association of Planning &
Development Districts
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weaknesses. 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended for the information of the board of directors and management. However, this report is a matter of public record and its distribution is not limited.



Pat Baham Dought
A Professional Accounting Corporation

OTHER SUPPLEMENTARY INFORMATION

LOUISIANA ASSOCIATION OF PLANNING
AND DEVELOPMENT DISTRICTS
SCHEDULE OF STATE FINANCIAL ASSISTANCE
DECEMBER 31, 1998

	<u>PROGRAM OR AWARD AMOUNT</u>	<u>REVENUE RECOGNIZED</u>	<u>EXPENDITURES</u>
STATE OF LOUISIANA DEPARTMENT OF ECONOMIC DEVELOPMENT ENTERPRISE ZONE PROGRAM CONTRACT #252-97007 CFMS 510834	80,000.00	80,000.00	80,000.00