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**LOUISIANA STATE BOARD OF
ADMINISTRATIVE EXPENDITURES
DEPARTMENT OF ECONOMIC DEVELOPMENT
STATE OF LOUISIANA
BATON ROUGE, LOUISIANA**

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ANNUAL FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1968

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 State Treasury office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date — 6-13-68 —

BOARD OF ARCHITECTURAL EXAMINERS
DEPARTMENT OF ECONOMIC DEVELOPMENT
STATE OF LOUISIANA
BAYOU BOULE, LOUISIANA
ANNUAL FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 1998

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INDEPENDENT AUDITORS' REPORT

Louisiana State Board of Architectural Examiners
Department of Economic Development
State of Louisiana
Baton Rouge, Louisiana

We have audited the accompanying general purpose financial statements of

**LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
DEPARTMENT OF ECONOMIC DEVELOPMENT
STATE OF LOUISIANA
BATON ROUGE, LOUISIANA**

a component unit of the State of Louisiana, as of and for the year ended June 30, 1998. These financial statements are the responsibility of Louisiana State Board of Architectural Examiners, Baton Rouge, Louisiana'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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall 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 above present fairly, in all material respects, the financial position of Louisiana State Board of Architectural Examiners, Baton Rouge, Louisiana at June 30, 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, we have also issued our Report dated September 14, 1998 on our consideration of Louisiana State Board of Architectural Examiners, Baton Rouge, Louisiana's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

DYER & VICKNAIR

CHARTERED PUBLIC ACCOUNTANTS

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of Louisiana State Board of Architectural Examiners, Baton Rouge, Louisiana. Such information has been subjected to the audit procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

Baton Rouge, Louisiana
September 14, 1968

Dyer & Vicknair

LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
DEPARTMENT OF ECONOMIC DEVELOPMENT
STATE OF LOUISIANA
BAYOU BOULE, LOUISIANA
ALL FUNDS AND ACCOUNT GROUPS
BALANCE SHEET
JUNE 30, 1988

| | GOVERNMENTAL | | ACCOUNT GROUPS | | TOTAL (MEMBERSHIP ONLY) |
|--|-----------------|----------------------------|------------------------------|------------------------------|-------------------------------|
| | GENERAL FUND | GENERAL FIXED ASSETS | GENERAL LONG-TERM DEBT | GENERAL LONG-TERM DEBT | |
| ASSETS AND OTHER DEBITS | | | | | |
| Cash | \$ 93,294 | | | | \$ 93,294 |
| Investments | 136,522 | | | | 136,522 |
| Fixed assets | | \$ 58,954 | | | 58,954 |
| Amount to be provided for retirement of general long-term obligations | | | \$ 13,350 | | 13,350 |
| Total assets and other debits | 229,816 | 58,954 | 13,350 | | 294,082 |
| LIABILITIES AND FUND EQUITY | | | | | |
| Liabilities | | | | | |
| Accounts payable | \$ 136 | | | | \$ 136 |
| Compensated absences | | | \$ 13,350 | | 13,350 |
| Total liabilities | 136 | | 13,350 | | 13,486 |
| Fund Equity | | | | | |
| Investment in general fixed assets | | \$ 58,954 | | | 58,954 |
| Fund balance | 229,682 | | | | 229,682 |
| Total fund equity | 229,682 | 58,954 | | | 288,636 |
| Total liabilities and fund equity | 229,816 | 58,954 | 13,350 | | 294,082 |

The accompanying notes are an integral part of this statement.

LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
DEPARTMENT OF ECONOMIC DEVELOPMENT
STATE OF LOUISIANA
BATON ROUGE, LOUISIANA
GOVERNMENTAL FUND - GENERAL FUND
STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 1988

| | |
|---|----------------|
| REVENUES | |
| Licenses and fees | \$ 278,538 |
| Interest income | 7,882 |
| Miscellaneous | <u>1,625</u> |
| Total revenues | <u>287,947</u> |
| EXPENDITURES | |
| Personal services | 123,834 |
| Operating services | 68,865 |
| Materials and supplies | 4,758 |
| Travel | 19,478 |
| Education and research | 18,477 |
| Professional services | 42,130 |
| Capital outlay | <u>28,160</u> |
| Total expenditures | <u>278,992</u> |
| EXCESS REVENUE OVER EXPENDITURES | 8,955 |
| FUND BALANCE, beginning of year | <u>228,487</u> |
| FUND BALANCE, end of year | <u>237,442</u> |

The accompany notes are an integral part of this statement.

LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
 DEPARTMENT OF ECONOMIC DEVELOPMENT
 STATE OF LOUISIANA
 BAYOU BOULE, LOUISIANA
 GOVERNMENTAL FUND - GENERAL FUND
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE
 BUDGET (BASE BASIS) AND ACTUAL
 YEAR ENDED JUNE 30, 1998

| | BUDGET | ACTUAL | VARIANCE- FAVORABLE/ UNFAVORABLE |
|---|----------------|----------------|--|
| REVENUES | | | |
| Licenses and fees | \$ 278,000 | \$ 278,530 | \$ 530 |
| Interest income | 1,000 | 7,800 | 680 |
| Miscellaneous | <u>2,000</u> | <u>1,615</u> | <u>(385)</u> |
| Total revenues | <u>281,000</u> | <u>287,945</u> | <u>6,945</u> |
| EXPENDITURES | | | |
| Personal services | 110,000 | 123,004 | (13,004) |
| Operating services | 66,300 | 68,966 | 2,666 |
| Materials and supplies | 4,500 | 4,700 | (200) |
| Travel | 22,500 | 19,478 | 3,022 |
| Education and research | 10,000 | 10,477 | (477) |
| Professional services | 50,000 | 43,130 | 6,870 |
| Capital outlay | <u>8,000</u> | <u>20,150</u> | <u>(12,150)</u> |
| Total expenditures | <u>281,300</u> | <u>279,905</u> | <u>1,395</u> |
| EXCESS OF REVENUES OVER EXPENDITURES | -0- | 8,955 | 8,955 |
| FUND BALANCE, beginning of year | <u>228,482</u> | <u>220,887</u> | <u>-0-</u> |
| FUND BALANCE, end of year | <u>228,482</u> | <u>229,842</u> | <u>8,955</u> |

The accompanying notes are an integral part of this statement.

LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
DEPARTMENT OF ECONOMIC DEVELOPMENT
STATE OF LOUISIANA
BATON ROUGE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 1998

INTRODUCTION

The Louisiana State Board of Architectural Examiners, Baton Rouge, Louisiana is a component unit of the State of Louisiana created within the Louisiana Department of Economic Development, in accordance with Title 37, Chapter 141 of the Louisiana Revised Statutes (LSA-R.S.) 16:981. The board is composed of five members, appointed by the governor, who serve six (6) years. The Board is charged with the responsibility of licensing and regulating the practice of architecture in the State of Louisiana. The Board's operations are funded entirely through annual self-generated revenues. At June 30, 1998 there were 3,488 architects and 231 corporations licensed in the State.

Note #1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying financial statements of the Louisiana State Board of Architectural Examiners, Baton Rouge, Louisiana have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. Reporting Entity

Section 2180 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. In accordance with GASB Codification Section 2180, the Board is a component unit of the State of Louisiana because the state exercises oversight responsibility in that the governor appoints the Board members and public service is rendered within the state's boundaries. The accompanying general purpose financial statements present only the transactions of the Louisiana State Board of Architectural Examiners, a component unit of the State of Louisiana.

C. Fund Accounting

The Board uses funds and account groups to report on its financial position and the 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.

LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
DEPARTMENT OF ECONOMIC DEVELOPMENT
STATE OF LOUISIANA
BAYOU BOULE, MONROE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
YEAR END, 1998
(Continued)

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group 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 the net expendable available financial resources.

Funds of the board are classified as governmental funds. Governmental funds account for the board's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition of general fixed assets, and the servicing of general long-term obligations. Governmental funds of the Board include:

General Fund

The general fund is the general operating fund of the board and accounts for all financial resources, except those required to be accounted for in other funds.

B. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resources 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 and decreases in net current assets. The modified accrual basis of accounting is used by the governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

Licenses and fees are recorded in the year these revenues are earned which approximates when measurable and available.

Interest income is recorded when earned.

Substantially all other revenues are recorded when they become available to the board.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for accumulated annual leave, which is recognized when paid.

LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
DEPARTMENT OF ECONOMIC DEVELOPMENT
STATE OF LOUISIANA
BAYOU BOULE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 1998
(continued)

E. Fixed Assets and Long-Term Obligations

Fixed assets used in governmental fund type operations are not capitalized in the funds used to acquire them. Instead, capital acquisition is reflected in governmental funds, and the related assets are reported in the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

Long-term obligations expected to be financed from the general fund are accounted for in the general long-term obligations account group, not in the governmental funds.

The two account groups are not "funds". They are concerned only with the measurement of financial position, not with measurement of results of operations.

F. Encumbrances

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the application appropriation, is not employed.

G. Budgets and Budgetary Accounting

An annual budget is adopted for the general fund on a basis consistent with generally accepted accounting principles (GAAP).

H. Cash and Investments

Cash includes interest-bearing demand deposits. Under state law, the board may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law, and national banks having their principal offices in Louisiana.

Under state law, the Board may invest in United States bonds, treasury notes or certificates.

The Board considers time deposits and investments with an original maturity of three months or less to be cash equivalents. If the original maturities exceed 90 days, they are classified as investments.

LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
DEPARTMENT OF ECONOMIC DEVELOPMENT
STATE OF LOUISIANA
BAYOU BOULE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 1998
(Continued)

Investments are stated at amortized cost which approximates market.

1. Compensated Absences

Vacated or accumulated annual and sick leave that is not expected to be liquidated with expendable available resources of the general funds is reported in the general long-term obligation account group. No expenditure is reported for these amounts.

2. Memorandum Only - Total Column

The total column on the 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.

Note #2: BUDGET COMPLIANCE - BUDGET

Annually, the board adopts a budget at its June meeting for the succeeding calendar year.

Formal budget integration is employed as a management control device during the year.

All appropriations lapse at the end of the year.

Budgeted amounts included in the accompanying financial statements reflect the original adopted budget.

Note #3: CASH

At June 30, 1998, the Board has cash (bank balances) totaling \$93,268. This total is comprised of interest-bearing demand deposits. These deposits are stated at cost, which approximates market.

Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount of deposit with the fiscal agent. These securities must be held in the name of the pledging

LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
DEPARTMENT OF ECONOMIC DEVELOPMENT
STATE OF LOUISIANA
BAYOU BOULE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 1998
 (Continued)

financial agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 1998, the Board has \$131,873 in deposits (collected bank balances). This entire balance is secured from risk by federal depository insurance.

Note #4: INVESTMENTS

Investments at June 30, 1998, are all time certificates of deposits having maturities exceeding ninety days. These investments are secured from risk by federal deposit insurance.

At June 30, 1998, the investments' amortized cost is \$136,323, which approximates market.

Note #5: CHANGES IN GENERAL FIXED ASSETS

At June 30, 1998, the board has stewardship responsibility for \$58,954 in furniture and equipment.

The following is a summary of the general fixed assets transactions for the year ended June 30, 1998:

| | |
|------------------------|-----------------|
| Balance, July 1, 1997 | \$43,785 |
| Additions | 14,988 |
| Disposals | <u>(17,219)</u> |
| Balance, June 30, 1998 | <u>\$58,954</u> |

During the year ended June 30, 1998, the Board incurred \$20,188 of capital outlay expenditures. This amount represented computer software in the amount of \$4,873 and furniture of \$955 which were not considered as additions to the general fixed assets account groups.

Note #6: CHANGES IN LONG-TERM OBLIGATION

The following is a summary of the long-term obligation transactions for the year ended June 30, 1998:

| | |
|------------------------|------------------|
| | Comperated |
| | <u>Amounts</u> |
| Balance, July 1, 1997 | \$ 13,758 |
| Additions | <u>592</u> |
| Balance, June 30, 1998 | <u>\$ 14,350</u> |

LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
DEPARTMENT OF ECONOMIC DEVELOPMENT
STATE OF LOUISIANA
BAYLUM HOUSE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 1988
(Continued)

Note #7: PENSION PLAN

All full time employees of the Board are members in the Louisiana State Employees Retirement System ("System"), a multiple-employer cost sharing public employee retirement system (PERS) controlled and administered by a separate board of trustees.

All full time employees are eligible to participate in the System. Benefits vest with ten years of service. At retirement age, employees are entitled to annual benefits equal to \$600 plus 2.5 percent of their highest consecutive 36 months average salary multiplied by their years of credited service. Vested employees may retire at (a) any age with thirty years of service, (b) age 55 with twenty-five years of service or (c) at age 60 with ten years of service. The System also provides death and disability benefits. Benefits are established by state statute.

In addition to the employee contribution at 3.5% of gross salary, the Board contributes an additional 13.8% of gross salary to the System. Contributions to the System during the year were funded through employee and employer contributions of \$6,872 and \$11,812 respectively. The total current year payroll of the Board was \$103,832 and its current year payroll covered by the System was \$91,630. Under present statutes, the Board does not guarantee any of the benefits granted by the System.

Note #8: POSTRETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The Board has no retired employees receiving postretirement health care and life insurance benefits.

Note #9: LEASES

The Board leases office space for \$1,840 per month. This lease is an operating lease which expires December 31, 2001. Rent expenditure for the year is \$21,692.

LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
DEPARTMENT OF ECONOMIC DEVELOPMENT
STATE OF LOUISIANA
BATON ROUGE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 1998
(Continued)

Note #10: LITIGATION

There were no judgments, claims or similar contingencies pending against the Board at June 30, 1998.

Note #11: BOARD MEMBERS' PER DIEM

The Board members are paid per diem of \$75 for each day while engaged in the discharge of their duties.

SUPPLEMENTAL INFORMATION

LOUISIANA STATE BOARD OF ARCHITECTURAL EXAMINERS
DEPARTMENT OF ECONOMIC DEVELOPMENT
STATE OF LOUISIANA
BAYOU BLVD., MONROE
SCHEDULE OF BOARD MEMBERS' FEES FROM
YEAR ENDED JUNE 30, 1978

| | |
|------------------------|--------------|
| Ronald A. Mitch | \$ 600 |
| Joseph M. Brocato, Jr. | 450 |
| Kim K. Mitchell | 625 |
| Fabian A. Patin | 900 |
| Raymond G. Post, Jr. | 625 |
| Glass Angelle | <u>525</u> |
| Total | <u>4,125</u> |

DYER & VICKNAIR

CERTIFIED PUBLIC ACCOUNTANTS

2000 PINE DRIVE, SUITE 100
Baton Rouge, Louisiana 70801BANK ONE SERVICES
TRUST SERVICES BANK GROUP
BANK ONE SECURITIES, LLC
BANK ONE LIFE GROUP
BANK ONE LIFE GROUP

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON
INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN ASSESSMENT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Louisiana State Board of
Architectural Examiners
Department of Labor
State of Louisiana
Baton Rouge, Louisiana

We have audited the general purpose financial statements of Louisiana State Board of Architectural Examiners, Baton Rouge, Louisiana, a component unit of the State of Louisiana for the year ended June 30, 1998, and have issued our report thereon dated September 14, 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 Louisiana State Board of Architectural Examiners, Baton Rouge, Louisiana's, general purpose financial statements are free of material misstatement, we 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 our audit and, accordingly, we do not express such an opinion. The results of our 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 our audit, we considered Louisiana State Board of Architectural Examiners, Baton Rouge, Louisiana'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. Our 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 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 general purpose 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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

Baton Rouge, Louisiana
September 14, 1998

Ray A. Vicknair