

**LOUISIANA POLITICAL
MUSEUM AND HALL OF FAME**

**FINANCIAL REPORT
JUNE 30, 2008 AND 2007**

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 11/18/09

Louisiana Political Museum and Hall of Fame
 Financial Report
 June 30, 2008 and 2007

TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
Accountant's Review Report	-	1
Basic Financial Statements		
Government-Wide Financial Statements		
<i>Statement of Net Assets-</i>		
June 30, 2008	A	4
June 30, 2007	A	5
<i>Statement of Activities-</i>		
June 30, 2008	B	6
June 30, 2007	B	7
Fund Financial Statements		
<i>Balance Sheet-Governmental Funds-</i>		
June 30, 2008	C	9
June 30, 2007	C	10
<i>Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets-</i>		
June 30, 2008	D	11
June 30, 2007	D	12
<i>Statement of Revenues, Expenditures, and Change in Fund Balances-</i>		
June 30, 2008	E	13-14
June 30, 2007	E	15
<i>Reconciliation of the Statement of Revenues, Expenditures, and Change in Fund Balances of the Governmental Funds to the Statement of Activities-</i>		
June 30, 2008	F	16
June 30, 2007	F	17
Notes to Financial Statements	-	19-25

Louisiana Political Museum and Hall of Fame
Financial Report
June 30, 2008 and 2007

TABLE OF CONTENTS (cont'd)

	<u>Exhibit</u>	<u>Page</u>
Other Required Supplementary Information		
Budgetary Comparison Schedule-General Fund-		
June 30, 2008	G	27
June 30, 2007	G	28
Budgetary Comparison Schedule-Operating Fund-		
June 30, 2008	H	29
June 30, 2007	H	30
Supplementary Information		
Independent Accountant's Report on Applying Agreed-Upon Procedures	I	31-33
Louisiana Attestation Questionnaire	J	34-35
Management Letter	K	36
Management's Response	L	37

Johnson, Thomas & Cunningham

Certified Public Accountants

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation
Roger M. Cunningham, CPA – A Professional Corporation
Jessica H. Broadway, CPA – A Professional Corporation
Ryan E. Todtenbier, CPA – A Professional Corporation

321 Bienville Street
Natchitoches, Louisiana 71457
(318) 352-3652
Fax (318) 352-4447

ACCOUNTANT'S REVIEW REPORT ON THE FINANCIAL STATEMENTS

Louisiana Political Museum
and Hall of Fame
499 East Main Street
Winnfield, LA 71483

We have reviewed the accompanying financial statements of the governmental activities and major funds of the Louisiana Political Museum and Hall of Fame (non-profit corporation) as of and for the years ended June 30, 2008 and 2007, which collectively comprise the Organization's basic financial statements as listed in the Table of Contents, in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of management of the Organization.

A review consists principally of inquiries of Organization personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

Management has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be a part of, the basic financial statements.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report dated October 30, 2009, on the results of our agreed-upon procedures on page 31 through 33. Pages 34 through 35 present the Louisiana Attestation Questionnaire.

Johnson, Thomas & Cunningham, CPA's
Johnson, Thomas & Cunningham, CPA's

October 30, 2009
Natchitoches, LA 71457

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS**

Louisiana Political Museum and Hall of Fame
Statement of Net Assets
June 30, 2008

	<u>General Fund</u>	<u>Operating Fund</u>	<u>Total</u>
ASSETS:			
Current Assets-			
Cash & Cash Equivalents	\$ 517	\$ 7,899	\$ 8,416
Due from State of Louisiana	65,458	0	65,458
Due from Others	<u>0</u>	<u>19,662</u>	<u>19,662</u>
Total Current Assets	\$65,975	\$27,561	\$ 93,536
Non-current Assets-			
Capital Assets (Net)	<u>31,885</u>	<u>32,146</u>	<u>64,031</u>
Total Assets	<u>\$97,860</u>	<u>\$59,707</u>	<u>\$157,567</u>
LIABILITIES:			
Payroll	\$ 824	\$ 0	\$ 824
Due to Others	19,662	0	19,662
Notes Payable	<u>32,594</u>	<u>0</u>	<u>32,594</u>
Total Liabilities	<u>\$53,080</u>	<u>\$ 0</u>	<u>\$ 53,080</u>
NET ASSETS:			
Invested in Capital Assets	\$31,885	\$32,146	\$ 64,031
Unrestricted	<u>12,895</u>	<u>27,561</u>	<u>40,456</u>
Total Net Assets	<u>\$44,780</u>	<u>\$59,707</u>	<u>\$104,487</u>

See accompanying notes and accountant's report.

Louisiana Political Museum and Hall of Fame
Statement of Net Assets
June 30, 2007

	<u>General Fund</u>	<u>Operating Fund</u>	<u>Total</u>
ASSETS:			
Current Assets-			
Cash & Cash Equivalents	\$ 4,554	\$ 7,069	\$11,623
Non-current Assets:			
Capital Assets (Net)	<u>32,472</u>	<u>16,450</u>	<u>48,922</u>
Total Assets	<u>\$37,026</u>	<u>\$23,519</u>	<u>\$60,545</u>
NET ASSETS:			
Invested in Capital Assets	\$32,472	\$16,450	\$48,922
Unrestricted	<u>4,554</u>	<u>7,069</u>	<u>11,623</u>
Total Net Assets	<u>\$37,026</u>	<u>\$23,519</u>	<u>\$60,545</u>

See accompanying notes and accountant's report.

FUND FINANCIAL STATEMENTS

Louisiana Political Museum and Hall of Fame
Balance Sheet-Governmental Fund
June 30, 2008

	<u>General Fund</u>	<u>Operating Fund</u>	<u>Total</u>
Assets:			
Cash & Cash Equivalents	\$ 517	\$ 7,899	\$ 8,416
Due from State of Louisiana	65,458	0	65,458
Due for Others	<u>0</u>	<u>19,662</u>	<u>19,662</u>
Total Assets	<u>\$65,975</u>	<u>\$27,561</u>	<u>\$93,536</u>
Liabilities:			
Payroll	\$ 824	\$ 0	\$ 824
Due to Others	<u>19,662</u>	<u>0</u>	<u>19,662</u>
Total Liabilities	\$20,486	\$ 0	\$20,486
Fund Balance:			
Unreserved	<u>45,489</u>	<u>27,561</u>	<u>73,050</u>
Total Liabilities and Fund Balance	<u>\$65,975</u>	<u>\$27,561</u>	<u>\$93,536</u>

See accompanying notes and accountant's report.

Louisiana Political Museum and Hall of Fame
Balance Sheet-Governmental Fund
June 30, 2007

	<u>General Fund</u>	<u>Operating Fund</u>	<u>Total</u>
Assets:			
Cash & Cash Equivalents	\$ <u>4,554</u>	\$ <u>7,069</u>	\$ <u>11,623</u>
Total Assets	\$ <u>4,554</u>	\$ <u>7,069</u>	\$ <u>11,623</u>
Fund Balance:			
Unreserved	\$ <u>4,554</u>	\$ <u>7,069</u>	\$ <u>11,623</u>
Total Liabilities and Fund Balance	\$ <u>4,554</u>	\$ <u>7,069</u>	\$ <u>11,623</u>

See accompanying notes and accountant's report.

Louisiana Political Museum and Hall of Fame
Reconciliation of the Governmental Fund
Balance Sheet to the Statement of Net Assets
June 30, 2008

Total Fund Balance for the Governmental Fund at June 30, 2008	\$ 73,050
Total Net Assets reported for Governmental Activities in the Statement of Net Assets is different because:	
<i>Capital Assets used in Governmental Activities are not current financial resources and, therefore, are not reported in the Governmental Funds Balance Sheet-</i>	
Equipment, Buildings, and Vehicles	70,435
Less: Accumulated Depreciation	(6,404)
Certain liabilities are not due and payable in the current period and therefore not reported in the funds-	
Notes Payable	<u>(32,594)</u>
Total Net Assets of Governmental Activities at June 30, 2008	<u>\$104,487</u>

See accompanying notes and accountant's report.

Louisiana Political Museum and Hall of Fame
Reconciliation of the Governmental Fund
Balance Sheet to the Statement of Net Assets
June 30, 2007

Total Fund Balance for the Governmental Fund at June 30, 2007	\$11,623
Total Net Assets reported for Governmental Activities in the Statement of Net Assets is different because:	
Capital Assets used in Governmental Activities are not current financial resources and, therefore, are not reported in the Governmental Funds Balance Sheet-	.
Equipment, Buildings, and Vehicles	50,166
Less: Accumulated Depreciation	<u>(1,244)</u>
Total Net Assets of Governmental Activities at June 30, 2007	<u>\$60,545</u>

See accompanying notes and accountant's report.

Louisiana Political Museum and Hall of Fame
Statement of Revenues, Expenditures and Change in Fund Balance-
For the Year Ended June 30, 2008

	<u>General Fund</u>	<u>Operating Fund</u>	<u>Total</u>
REVENUES:			
Intergovernmental-			
State of Louisiana	\$196,374	\$61,546	\$257,920
Miscellaneous-			
Gift Shop	0	6,201	6,201
Hall of Fame	0	10,780	10,780
Other	<u>801</u>	<u>2,175</u>	<u>2,976</u>
Total Revenues	<u>\$197,175</u>	<u>\$80,702</u>	<u>\$277,877</u>
EXPENDITURES:			
Current-			
Salaries	\$116,772	\$ 0	\$116,772
Related Benefits	17,475	0	17,475
Travel	2,607	393	3,000
Advertising	993	150	1,143
Printing	185	0	185
Equipment Rental	5,355	0	5,355
Rent	0	500	500
Telephone	5,644	0	5,644
Postage	1,028	0	1,028
Utilities	14,227	0	14,227
Other-Miscellaneous	2,121	2,048	4,169
Office Supplies	6,596	0	6,596
Other Charges	9,132	1,705	10,837
Building Repair & Maintenance	2,279	292	2,571
Equipment Repair & Maintenance	0	259	259
Contract Labor	0	9,373	9,373
Insurance	0	9,186	9,186
Dues & Subscriptions	0	73	73
Hall of Fame Expenses	0	8,917	8,917
Licenses	0	5	5
Purchases for Resale	0	5,296	5,296
Supplies	0	4,875	4,875
Debt Repayment	21,742	0	21,742
Interest	1,289	0	1,289
Capital Outlay	<u>3,131</u>	<u>17,138</u>	<u>20,269</u>
Total Expenditures	<u>\$210,576</u>	<u>\$60,210</u>	<u>\$270,786</u>

Continued next page.

Louisiana Political Museum and Hall of Fame
Statement of Revenues, Expenditures and Change in Fund Balance-
For the Year Ended June 30, 2008

	<u>General Fund</u>	<u>Operating Fund</u>	<u>Total</u>
Excess of Revenues over Expenditures	\$ (13,401)	\$20,492	\$ 7,091
OTHER FINANCING SOURCES (USES):			
Proceeds of Debt	<u>54,336</u>	<u>0</u>	<u>54,336</u>
Excess of Revenues and Other Sources over Expenditures and Other Uses	\$ 40,935	\$20,492	\$ 61,427
Fund Balance-Beginning of Year	<u>4,554</u>	<u>7,069</u>	<u>11,623</u>
Fund Balance-End of Year	<u>\$ 45,489</u>	<u>\$27,561</u>	<u>\$ 73,050</u>

See accompanying notes and accountant's report.

Louisiana Political Museum and Hall of Fame
Statement of Revenues, Expenditures and Change in Fund Balance-
For the Year Ended June 30, 2007

	<u>General Fund</u>	<u>Operating Fund</u>	<u>Total</u>
REVENUES:			
Intergovernmental-			
State of Louisiana	\$196,374	\$25,000	\$221,374
Miscellaneous-			
Gift Shop	0	8,522	8,522
Grant	0	4,987	4,987
Hall of Fame	0	8,760	8,760
Other	<u>0</u>	<u>13,312</u>	<u>13,312</u>
Total Revenues	<u>\$196,374</u>	<u>\$60,581</u>	<u>\$256,955</u>
EXPENDITURES:			
Current-			
Salaries	\$ 78,100	\$ 0	\$ 78,100
Related Benefits	11,513	0	11,513
Travel	5,543	0	5,543
Advertising	0	1,225	1,225
Equipment Rental	3,806	0	3,806
Legal	0	115	115
Telephone	4,710	0	4,710
Postage	883	126	1,009
Utilities	5,293	0	5,293
Other-Miscellaneous	15,050	12,522	27,572
Office Supplies	10,035	1,270	11,305
Foundation	0	4,169	4,169
Other Charges	7,685	0	7,685
Building Repair & Maintenance	15,726	1,345	17,071
Equipment Repair & Maintenance	0	79	79
Contract Labor	0	200	200
Dues & Subscriptions	0	73	73
Hall of Fame Expenses	0	10,444	10,444
Purchases for Resale	0	7,791	7,791
Supplies	0	1,841	1,841
Equipment Non-asset	0	3,466	3,466
Capital Outlay	<u>33,476</u>	<u>16,690</u>	<u>50,166</u>
Total Expenditures	<u>\$191,820</u>	<u>\$61,356</u>	<u>\$253,176</u>
Excess of Revenues over Expenditures	\$ 4,554	\$ (775)	\$ 3,779
Fund Balance-Beginning of Year	<u>0</u>	<u>7,844</u>	<u>7,844</u>
Fund Balance-End of Year	<u>\$ 4,554</u>	<u>\$ 7,069</u>	<u>\$ 11,623</u>

See accompanying notes and accountant's report.

Louisiana Political Museum and Hall of Fame
Reconciliation of the Statement of Revenues, Expenditures
and Change in Fund Balance of the Governmental Fund
to the Statement of Activities
for the Year Ended June 30, 2008

Total Net Change in Fund Balance
at June 30, 2008, per Statement of Revenues,
Expenditures and Changes in Fund Balance \$ 61,427

The Change in Net Assets
reported for Governmental Activities
in the Statement of Activities is different because:

Governmental Funds report capital outlays as expenditures.
However, in the Statement of Activities, the cost of these
assets is allocated over their estimated useful lives as
depreciation expense. The cost of capital assets recorded
in the current period is 20,269

Proceeds of debt are shown as revenues in the Governmental
Funds, but the debt increases long-term liabilities in the
Statement of Net Assets (32,594)

Depreciation expense on capital assets is reported in the
Government-wide financial statements, but they do not
require the use of current financial resources and are not
reported in the Fund Financial statements. Current year
depreciation expense is (5,160)

Total changes in Net Assets at June 30, 2008,
per Statement of Activities \$ 43,942

See accompanying notes and accountant's report.

Louisiana Political Museum and Hall of Fame
Reconciliation of the Statement of Revenues, Expenditures
and Change in Fund Balance of the Governmental Fund
to the Statement of Activities
for the Year Ended June 30, 2007

Total Net Change in Fund Balance
at June 30, 2007, per Statement of Revenues,
Expenditures and Changes in Fund Balance \$ 3,779

The Change in Net Assets reported for Governmental
Activities in the Statement of Activities is different because:

Governmental Funds report capital outlays as expenditures.
However, in the Statement of Activities, the cost of these
assets is allocated over their estimated useful lives as
depreciation expense. The cost of capital assets recorded
in the current period is 50,166

Depreciation expense on capital assets is reported in the
Government-wide financial statements, but they do not
require the use of current financial resources and are not
reported in the Fund Financial statements. Current year
depreciation expense is (1,244)

Total changes in Net Assets at June 30, 2007,
per Statement of Activities \$52,701

See accompanying notes and accountant's report.

NOTES TO FINANCIAL STATEMENTS

Louisiana Political Museum and Hall of Fame
Notes to Financial Statements
June 30, 2008 and 2007

1. Introduction:

The Louisiana Political Museum and Hall of Fame, is established as a facility in the City of Winnfield, parish of Winn, under the overall jurisdiction of the Department of Culture, Recreation and Tourism by LA R.S. 25:380.141. The Louisiana Political Museum and Hall of Fame shall be a historical, cultural, scientific, and technological, educational institution whose primary purpose shall be to research, collect, preserve, and present, as an educational resource, media, film, motion pictures, recordings, pictures, documents, artifacts, objects of art, and the like that reflect the political, social, and cultural history of the politics of the state, including but not limited to such materials related to political campaigns and candidates, officeholders, and supporting personnel. There is also created an Advisory board, comprised of twenty members. Nineteen members are recommended to the Lt. Governor by the Friends of the Louisiana Political Museum and Hall of Fame, the Lt. Governor, or designee shall be an ex officio member of the board. Members of the Board serve without compensation.

2. Summary of Significant Accounting Policies:

The accounting and reporting policies of Louisiana Political Museum and Hall of Fame conform to generally accepted accounting principles as applicable to governmental units. Such accounting and reporting policies also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the *Louisiana Governmental Audit Guide*.

A. Reporting Entity-

The Louisiana Political Museum and Hall of Fame, for financial purposes, includes all of the funds relevant to its operations. The Louisiana Political Museum and Hall of Fame has been determined to be a primary government and not a component unit or agency of the state government for financial reporting purposes.

B. Basis of Presentation-

Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and Statement of Activities report information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Organization's governmental activities. Direct expenses are those that are specifically associated with a program or function. Program revenues include

Louisiana Political Museum and Hall of Fame
Notes to Financial Statements
June 30, 2008 and 2007

(a) fees and charges paid by the recipient for goods or services offered by the program, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

C. Fund Accounting-

The accounts of the Organization are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements.

The Organization maintains two funds. They are both categorized as governmental funds. The emphasis on fund financial statements is on major governmental and enterprise funds; each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity. Both funds are considered to be major.

Governmental Funds-

General Fund

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

Operating Fund

Used to account for financial resources received from the State.

D. Measurement Focus/Basis of Accounting-

Basis of accounting refers to when revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual Basis - Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities display information about the Organization as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Louisiana Political Museum and Hall of Fame
Notes to Financial Statements
June 30, 2008 and 2007

Modified Accrual Basis - Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Organization considers all revenues "available" if they are collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

E. Assets, Liabilities, and Equity-

Cash and Interest-Bearing Deposits-

For purposes of the Statement of Net Assets, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposit of the Organization.

Capital Assets-

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. The Organization maintains a threshold level of \$1,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of that asset or materially extend the life of that asset are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of useful lives by type of asset is as follows:

Furniture, computers	5 years
Buildings	40 years

Louisiana Political Museum and Hall of Fame
Notes to Financial Statements
June 30, 2008 and 2007

Compensated Absences-

There are no formal written personnel policies that address leave. Therefore, no entity is made to record compensated absences.

Equity Classifications-

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt---Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets---Consists of net assets with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.
- c. Unrestricted net assets---All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

F. Interfund Transactions-

The following is a summary of interfund transfers:

	<u>Operating Transfers In</u>	<u>Operating Transfers Out</u>
General Fund	\$32,404	\$12,742
Operating Fund	\$12,742	\$32,404

G. Budget-

Prior to the beginning of each fiscal year, the Louisiana Political Museum and Hall of Fame adopts a budget for the next fiscal year. The budget is open for public inspection. All budgetary appropriations lapse at the end of the fiscal year. The budget is prepared on the modified accrual basis of accounting.

Louisiana Political Museum and Hall of Fame
Notes to Financial Statements
June 30, 2008 and 2007

H. Estimates-

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

3. Cash and Cash Equivalents:

For reporting purposes, cash and cash equivalents include demand deposits and time deposits. At June 30, 2008 and 2007, the Organization had cash and cash equivalents (collected bank balances) totaling \$13,266 for 2008 and \$47,905 for 2007. Cash and cash equivalents are stated at cost, which approximates market. Under Louisiana law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. These pledged securities are held in the name of the pledging bank in a holding or custodial bank in the form of safekeeping receipts held by the Organization. The deposits at June 30, 2008 and 2007, were fully secured by FDIC Insurance.

4. Capital Assets:

The following is a summary of capital assets for the Organization for the two-year period ended June 30, 2008:

	Balance <u>7-01-06</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>6-30-07</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>6-30-08</u>
Capital Assets Depreciated:							
Building Improvements-							
Awning	\$0	\$ 1,850	\$0	\$ 1,850	\$ 0	\$0	\$ 1,850
Cabinets	0	8,614	0	8,614	0	0	8,614
Rewire Building	0	6,226	0	6,226	0	0	6,226
A/C System	0	0	0	0	14,500	0	14,500
Concrete-A/C System	0	0	0	0	1,330	0	1,330
Decking	0	22,692	0	22,692	0	0	22,692
Office Furniture-							
Filing Cabinet	0	1,380	0	1,380	0	0	1,380
Desk	0	0	0	0	1,448	0	1,448

Louisiana Political Museum and Hall of Fame
Notes to Financial Statements
June 30, 2008 and 2007

	<u>Balance</u> <u>7-01-06</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6-30-07</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6-30-08</u>
Office Equipment-							
2 Dell Computers	0	4,624	0	4,624	0	0	4,624
Dell Computer	0	1,280	0	1,280	0	0	1,280
Lawn Mower	0	3,500	0	3,500	0	0	3,500
Scanner	0	0	0	0	1,190	0	1,190
Dell Computer	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,801</u>	<u>0</u>	<u>1,801</u>
Total Assets	<u>\$0</u>	<u>\$50,166</u>	<u>\$0</u>	<u>\$50,166</u>	<u>\$20,269</u>	<u>\$0</u>	<u>\$70,435</u>
Less, Accumulated Depreciation:							
Building Improvements-							
Awning	\$0	\$ 62	\$0	\$ 62	\$ 123	\$0	\$ 185
Cabinets	0	143	0	143	574	0	717
Rewire Building	0	35	0	35	415	0	450
A/C System	0	0	0	0	81	0	81
Concrete-A/C System	0	0	0	0	7	0	7
Decking	0	126	0	126	1,513	0	1,639
Office Furniture-							
Filing Cabinet	0	115	0	115	197	0	312
Desk	0	0	0	0	190	0	190
Office Equipment-							
2 Dell Computers	0	539	0	539	925	0	1,464
Dell Computer	0	107	0	107	256	0	363
Lawn Mower	0	117	0	117	700	0	817
Scanner	0	0	0	0	60	0	60
Dell Computer	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>120</u>	<u>0</u>	<u>120</u>
Total Depreciation	<u>\$0</u>	<u>\$ 1,244</u>	<u>\$0</u>	<u>\$ 1,244</u>	<u>\$ 5,161</u>	<u>\$0</u>	<u>\$ 6,405</u>
Net Capital Assets	<u>\$0</u>	<u>\$48,922</u>	<u>\$0</u>	<u>\$48,922</u>	<u>\$15,108</u>	<u>\$0</u>	<u>\$64,030</u>

5. Collection:

As with most museums, the purchase price or estimated value of donations of objects on display are not included on the Statement of Net Assets due to the difficulty and subjectivity in establishing a value.

6. Pending Litigation:

There were no civil suits seeking damages against the Organization outstanding at June 30, 2008 and 2007.

Louisiana Political Museum and Hall of Fame
Notes to Financial Statements
June 30, 2008 and 2007

7. Related Party Transactions:

The Organization had no identified related party transactions for the years ended June 30, 2008 and 2007.

8. Short-Term Debt:

For the year ended June 30, 2008, the museum opened a line of credit with the Bank of Winnfield. The interest rate is fixed at 7.25%. The balance at June 30, 2008 is \$14,094.

For the year ended June 30, 2008, the Friends of the Foundation loaned money to the museum at 0% interest. The balance at June 30, 2008 is \$18,500.

OTHER REQUIRED
SUPPLEMENTARY INFORMATION

Louisiana Political Museum and Hall of Fame
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2008

	<u>Budget</u>		<u>Actual</u>	Variance Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental-				
State of Louisiana	\$196,374	\$196,374	\$196,374	\$ 0
Miscellaneous-				
Other	<u>0</u>	<u>0</u>	<u>801</u>	<u>801</u>
Total Revenues	<u>\$196,374</u>	<u>\$196,374</u>	<u>\$197,175</u>	<u>\$ 801</u>
EXPENDITURES:				
Current-				
Salaries	\$107,041	\$107,790	\$116,772	\$ (8,982)
Related Benefits	17,283	15,533	17,475	(1,942)
Travel	3,424	2,925	2,607	318
Advertising	1,000	0	993	(993)
Printing	2,500	800	185	615
Rentals	9,500	5,558	5,355	203
Telephone	4,500	6,175	5,644	531
Postage	750	1,075	1,028	47
Utilities	18,000	14,500	14,227	273
Other-Miscellaneous	8,750	2,147	2,121	26
Office Supplies	3,731	4,731	6,596	(1,865)
Other Charges	4,895	9,894	9,132	762
Maintenance & Repair	12,000	22,246	2,279	19,967
Debt Repayment	0	0	21,742	(21,742)
Interest	0	0	1,289	(1,289)
Capital Outlay	<u>3,000</u>	<u>3,000</u>	<u>3,131</u>	<u>(131)</u>
Total Expenditures	<u>\$196,374</u>	<u>\$196,374</u>	<u>\$210,576</u>	<u>\$(14,202)</u>
Excess of Revenues over Expenditures	\$ 0	\$ 0	\$ (13,401)	\$(13,401)
OTHER FINANCING SOURCES (USES):				
Proceeds of Debt	<u>0</u>	<u>0</u>	<u>54,336</u>	<u>54,336</u>
Excess of Revenues and Other Sources over Expenditures and Other Uses	\$ 0	\$ 0	\$ 40,935	\$ 40,935
Fund Balance-Beginning of Year	<u>4,554</u>	<u>4,554</u>	<u>4,554</u>	<u>0</u>
Fund Balance-End of Year	<u>\$ 4,554</u>	<u>\$ 4,554</u>	<u>\$ 45,489</u>	<u>\$ 40,935</u>

See accountant's report.

Louisiana Political Museum and Hall of Fame
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2007

	<u>Budget</u> <u>Original/Final</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
REVENUES:			
Intergovernmental- State of Louisiana	\$ <u>196,374</u>	\$ <u>196,374</u>	\$ <u>0</u>
Total Revenues	\$ <u>196,374</u>	\$ <u>196,374</u>	\$ <u>0</u>
EXPENDITURES:			
Current-			
Salaries	\$121,772	\$ 78,100	\$ 43,672
Related Benefits	34,228	11,513	22,715
Travel	3,424	5,543	(2,119)
Rentals	9,500	3,806	5,694
Telephone	4,500	4,710	(210)
Postage	750	883	(133)
Utilities	18,000	5,293	12,707
Other-Miscellaneous	1,200	15,050	(13,850)
Office Supplies	2,250	10,035	(7,785)
Other Charges	750	7,685	(6,935)
Maintenance & Repair	0	15,726	(15,726)
Capital Outlay	<u>0</u>	<u>33,476</u>	<u>(33,476)</u>
Total Expenditures	\$ <u>196,374</u>	\$ <u>191,820</u>	\$ <u>4,554</u>
Excess of Revenues over Expenditures	\$ 0	\$ 4,554	\$ 4,554
Fund Balance-Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance-End of Year	\$ <u>0</u>	\$ <u>4,554</u>	\$ <u>4,554</u>

See accountant's report.

Louisiana Political Museum and Hall of Fame
Operating Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2008

	<u>Budget</u> <u>Original/Final</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
REVENUES:			
Intergovernmental-			
State of Louisiana	\$35,000	\$61,546	\$ 26,546
Miscellaneous-			
Gift Shop	0	6,201	6,201
Hall of Fame	0	10,780	10,780
Other	<u>0</u>	<u>2,175</u>	<u>2,175</u>
Total Revenues	<u>\$35,000</u>	<u>\$80,702</u>	<u>\$ 45,702</u>
EXPENDITURES:			
Current-			
Salaries	\$ 4,500	\$ 0	\$ 4,500
Advertising	0	150	(150)
Contract Labor	0	9,373	(9,373)
Insurance	0	9,186	(9,186)
Dues/Subscriptions	0	73	(73)
Hall of Fame Expenses	0	8,917	(8,917)
Licenses	0	5	(5)
Miscellaneous	0	2,048	(2,048)
Purchases for Resale	0	5,296	(5,296)
Building Repair & Maintenance	0	292	(292)
Equipment Repair & Maintenance	0	259	(259)
Supplies	0	4,875	(4,875)
Travel	0	393	(393)
Rentals	0	500	(500)
Other	0	1,705	(1,705)
Capital Outlay	<u>30,500</u>	<u>17,138</u>	<u>13,362</u>
Total Expenditures	<u>\$35,000</u>	<u>\$60,210</u>	<u>\$(25,210)</u>
Excess of Revenues over Expenditures	\$ 0	\$20,492	\$ 20,492
Fund Balance-Beginning of Year	<u>7,069</u>	<u>7,069</u>	<u>0</u>
Fund Balance-End of Year	<u>\$ 7,069</u>	<u>\$27,561</u>	<u>\$ 20,492</u>

See accountant's report.

Louisiana Political Museum and Hall of Fame
Operating Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2007

	Budget		Actual	Variance
	Original	Final		Favorable (Unfavorable)
REVENUES:				
Intergovernmental-				
State of Louisiana	\$25,000	\$60,000	\$25,000	\$(35,000)
Grant	0	0	4,987	4,987
Miscellaneous-				
Gift Shop	0	0	8,522	8,522
Hall of Fame	0	0	8,760	8,760
Other	<u>0</u>	<u>0</u>	<u>13,312</u>	<u>13,312</u>
Total Revenues	<u>\$25,000</u>	<u>\$60,000</u>	<u>\$60,581</u>	<u>\$ 581</u>
EXPENDITURES:				
Current-				
Salaries	\$ 0	\$16,982	\$ 0	\$ 16,982
Related Benefits	0	10,116	0	10,116
Advertising	0	0	1,225	(1,225)
Contract Labor	0	0	200	(200)
Dues/Subscriptions	0	0	73	(73)
Equipment – Non-asset	0	0	3,466	(3,466)
Foundation Funds	0	0	4,169	(4,169)
Hall of Fame Expenses	0	0	10,444	(10,444)
Office Supplies	0	0	1,270	(1,270)
Postage	0	0	126	(126)
Legal	0	0	115	(115)
Purchases for Resale	0	0	7,791	(7,791)
Building Repair & Maintenance	0	0	1,345	(1,345)
Equipment Repair & Maintenance	0	0	79	(79)
Supplies	0	0	1,841	(1,841)
Other	11,960	11,961	12,522	(561)
Capital Outlay	<u>13,040</u>	<u>20,941</u>	<u>16,690</u>	<u>4,251</u>
Total Expenditures	<u>\$25,000</u>	<u>\$60,000</u>	<u>\$61,356</u>	<u>\$ (1,356)</u>
Excess of Revenues over Expenditures	\$ 0	\$ 0	\$ (775)	\$ (775)
Fund Balance-Beginning of Year	<u>7,844</u>	<u>7,844</u>	<u>7,844</u>	<u>0</u>
Fund Balance-End of Year	<u>\$ 7,844</u>	<u>\$ 7,844</u>	<u>\$ 7,069</u>	<u>\$ (775)</u>

See accountant's report.

Johnson, Thomas & Cunningham

Certified Public Accountants

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation
Roger M. Cunningham, CPA – A Professional Corporation
Jessica H. Broadway, CPA – A Professional Corporation
Ryan E. Todtenbier, CPA – A Professional Corporation

321 Bienville Street
Natchitoches, Louisiana 71457
(318) 352-3652
Fax (318) 352-4447

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Louisiana Political Museum
and Hall of Fame
499 East Main Street
Winnfield, LA 71483

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of the Louisiana Political Museum and Hall of Fame and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Louisiana Political Museum and Hall of Fame's compliance with certain laws and regulations during the years ended June 30, 2008 and 2007, 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 and applicable standards of *Government Auditing Standards*. 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.

PUBLIC BID LAW

1. Select all expenditures made during the year for materials and supplies exceeding \$20,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

No expenditures found to be in violation.

CODE OF ETHICS FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Not applicable.

3. Obtain from management a listing of all employees paid during the period under examination.

Not applicable.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedures (3) were also included on the listing obtained from management in agreed-upon procedures (2) as immediate family members.

Not applicable.

BUDGETING

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget. There were no amendments to the budget during the year.

6. Trace the budget adoption to the minute book.

We traced the adoption of the budget to the minutes of the Organization. It was adopted by a unanimous decision.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5% or more.

Actual expenditures exceeded the 5% variance allowed in both the General Fund and Operating Fund for the year ended June 30, 2008.

ACCOUNTING AND REPORTING

8. Randomly select 12 disbursements made during the period under examination and:

- (a) trace payments to supporting documentation as to proper amount and payee:

We examined supporting documentation for each of the six disbursements and found that the payments were for the proper amount and made to the correct payee.

- (b) determine if payments were properly coded to the correct fund and general ledger account:

Each disbursement appeared to be coded correctly.

- (c) determine whether payments received approval from proper authorities:

Inspection of supporting documentation showed written approval.

MEETINGS

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

The Organization is only required to post a notice of each meeting and the accompanying agenda on the door of the Organization's office building. Management has asserted that such documents were properly posted.

DEBT

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds or any other indebtedness which have not been approved by the State Bond Commission.

We inspected copies of all bank deposits for the period under examination and noted no deposits that appeared to be proceeds of bank loans, bonds, or other indebtedness that had not been approved by the State Bond Commission.

ADVANCES AND BONUSES

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees that may constitute bonuses, advances, or gifts.

None identified.

This is the first report issued for the Organization.

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 Louisiana Political Museum and Hall of Fame and the Legislative Auditor, State of Louisiana, 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.

Johnson, Thomas & Cunningham, CPA's
Johnson, Thomas & Cunningham, CPA's

October 30, 2009
Natchitoches, Louisiana

LOUISIANA POLITICAL MUSEUM AND HALL OF FAME

LOUISIANA ATTESTATION QUESTIONNAIRE

Johnson, Thomas & Cunningham, CPA's
321 Bienville Street
Natchitoches, LA 71457

In connection with your review of our financial statements as of June 30, 2008 and 2007, and for the years 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 regulations 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 August 13, 2009.

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes No

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes No

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes No

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14 or the budget requirements of LSA-RS 39:34.

Yes No

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes No

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes No

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes No

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes No

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes No

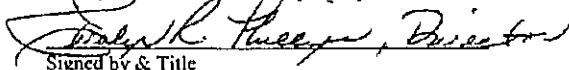
Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

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 foregoing 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 acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.


Signed by & Title

Johnson, Thomas & Cunningham

Certified Public Accountants

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation
Roger M. Cunningham, CPA – A Professional Corporation
Jessica H. Broadway, CPA – A Professional Corporation
Ryan E. Todtenbier, CPA – A Professional Corporation

321 Bienville Street
Natchitoches, Louisiana 71457
(318) 352-3652
Fax (318) 352-4447

October 30, 2009

Carolyn Phillips, Director
Louisiana Political Museum and Hall of Fame
499 East Main Street
Winnfield, LA 71483

RE: Management Letter
Review Report – June 30, 2008 and 2007

Dear Ms. Phillips,

We have performed our review of the Louisiana Political Museum and Hall of Fame for the years ended June 30, 2008 and 2007. As part of these procedures, we have the following information to report to you.

Louisiana Revised Statutes require that the Review Report be submitted to the Legislative Auditor not later than six months following the end of the reporting period. For the years ended June 30, 2008 and 2007, the report was due by December 31, 2008, and December 31, 2007, respectively. We recommend the Organization engage an independent CPA prior to the end of the reporting year to ensure the report is submitted on time.

Please call if you have any questions.

Sincerely,

Johnson, Thomas & Cunningham, CPAs

Johnson, Thomas & Cunningham, CPA's

*Louisiana Political Museum
& Hall of Fame*

499 East Main Street
Winfield, Louisiana 71483

Carolyn R. Phillips, Executive Director



Toll Free: 1-877-628-5928
Phone: 318-628-5928
Fax: 318-628-2551

lapolmus@bellsouth.net
www.lapoliticalmuseum.com

November 2, 2009

Louisiana Legislative Auditor
1600 North Third Street
Baton Rouge, Louisiana 70802

RE: Management Letter
Review Report June 30, 2008 & 2007

The following is our response to the management letter issued to us by the firm Johnson, Thomas & Cunningham, CPA's for the years ended June 30, 2008 & 2007.

Management's corrective Action Plan

Late Report – We will institute procedures to ensure that the Organization's books are available to the auditors within 45 days after the end of the fiscal year.

Please contact us if there are any questions regarding our responses.

Very truly yours,

Carolyn R. Phillips
Director

CRP:sm