

**PELICAN CHAPTER - ASSOCIATED BUILDERS
AND CONTRACTORS, INC.**

DECEMBER 31, 2010 AND 2009

BATON ROUGE, LOUISIANA

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 _____

SEP 14 2011

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June 2, 2011

Independent Auditor's Report

To the Board of Directors and Members
Pelican Chapter - Associated Builders
and Contractors, Inc.
Baton Rouge, Louisiana

We have audited the accompanying statements of financial position of Pelican Chapter - Associated Builders and Contractors, Inc. (a nonprofit organization) as of December 31, 2010 and 2009, and the related statements of activities, and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America 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 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 the 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 financial statements referred to above present fairly, in all material respects, the financial position of Pelican Chapter - Associated Builders and Contractors, Inc. as of December 31, 2010 and 2009, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated June 2, 2011, on our consideration of Pelican Chapter - Associated Builders and Contractors, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Respectfully submitted,

Hannis T. Bourgeois, LLP

PELICAN CHAPTER - ASSOCIATED BUILDERS AND CONTRACTORS, INC.

STATEMENTS OF FINANCIAL POSITION

AS OF DECEMBER 31, 2010 AND 2009

ASSETS

	<u>2010</u>	<u>2009</u>
Current Assets:		
Cash and Cash Equivalents	\$ 1,730,867	\$ 1,533,796
Certificates of Deposit	904,448	893,372
Receivables:		
Members (Net of Allowance for Doubtful Accounts of \$10,000 in 2010 and 2009)	53,588	52,548
Owner	142,426	229,461
Interest	1,726	1,726
SLCUC	92,982	112,244
Louisiana Chapter	11,924	22,688
Grant Receivable	-	32,507
Other	34,355	2,470
	<u>337,001</u>	<u>453,644</u>
Prepaid Expenses:		
National Dues	6,781	6,988
Insurance	24,258	22,223
Other	3,252	21,599
	<u>34,291</u>	<u>50,810</u>
Total Current Assets	3,006,607	2,931,622
Property and Equipment:		
Buildings and Improvements	2,905,385	2,905,385
Furniture and Office Equipment	120,600	120,600
Machinery and Equipment	1,201,795	1,190,631
	<u>4,227,780</u>	<u>4,216,616</u>
Less: Accumulated Depreciation	(3,018,169)	(2,877,469)
	<u>1,209,611</u>	<u>1,339,147</u>
Land	271,783	271,783
	<u>1,481,394</u>	<u>1,610,930</u>
Total Assets	\$ 4,488,001	\$ 4,542,552

The accompanying notes are an integral part of this statement.

LIABILITIES AND NET ASSETS

	<u>2010</u>	<u>2009</u>
Current Liabilities:		
Accounts Payable	\$ 109,371	\$ 110,283
Due to ABC - PAC	29,050	21,950
Due to ABC - Louisiana Chapter	9,515	8,596
Due to ABC - Bayou Chapter	4,529	21,833
Due to ABC - National	31,931	64,825
Accrued Expenses:		
Wages, Bonuses and Benefits	67,377	72,368
Payroll Taxes	17,738	5,344
Vacation	13,386	7,711
Other	27,865	19,583
	<u>126,366</u>	<u>105,006</u>
Advance Collections:		
Dues	295,650	259,097
Tuition	109,756	222,998
Other	70,763	115,468
	<u>476,169</u>	<u>597,563</u>
Total Current Liabilities	786,931	930,056
Net Assets:		
Unrestricted:		
Undesignated	3,541,834	3,478,420
Designated	159,236	134,076
	<u>3,701,070</u>	<u>3,612,496</u>
Total Unrestricted Net Assets	3,701,070	3,612,496
Total Liabilities and Net Assets	\$ 4,488,001	\$ 4,542,552

PELICAN CHAPTER - ASSOCIATED BUILDERS AND CONTRACTORS, INC.

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010		
	Unrestricted	Temporarily Restricted	Total
Revenues, Gains, and Other Support:			
Membership Dues:			
Renewals	\$ 663,559	\$ -	\$ 663,559
New Members (Net of Credit Reserve of \$36,685 in 2010 and \$30,391 in 2009)	22,100	-	22,100
Total Membership Dues	685,659	-	685,659
Other Revenue:			
Contractors/Owners	2,027,734	-	2,027,734
Government Grants	383,023	-	383,023
Interest	13,910	-	13,910
Legislative Funds	2,000	-	2,000
Membership Events	176,955	-	176,955
Miscellaneous	173,476	-	173,476
Newsletter	42,837	-	42,837
Rent	31,620	-	31,620
Sales	1,009	-	1,009
Skill Assessment Fees	122,255	-	122,255
Student Fees	538,026	-	538,026
Supervisory Training	64,840	-	64,840
Gain on Sale of Land	-	-	-
Total Other Revenue	3,577,685	-	3,577,685
Total Revenues, Gains and Other Support	4,263,344	-	4,263,344
Net Assets Released from Restriction	-	-	-
Total Revenues, Gains, Other Support, and Net Assets Released from Restriction	4,263,344	-	4,263,344

(CONTINUED)

2009

<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
\$ 658,453	\$ -	\$ 658,453
30,234	-	30,234
<u>688,687</u>	<u>-</u>	<u>688,687</u>
2,510,653	-	2,510,653
168,635	-	168,635
20,839	-	20,839
2,000	-	2,000
234,278	-	234,278
350,958	-	350,958
46,513	-	46,513
31,620	-	31,620
18,645	-	18,645
75,630	-	75,630
334,871	-	334,871
86,215	-	86,215
160,319	-	160,319
<u>4,041,176</u>	<u>-</u>	<u>4,041,176</u>
4,729,863	-	4,729,863
<u>-</u>	<u>-</u>	<u>-</u>
4,729,863	-	4,729,863

	2010		Total
	Unrestricted	Temporarily Restricted	
Expenses:			
Program Services:			
Training Center - Baton Rouge	1,915,333	-	1,915,333
Training Center - Lake Charles	917,368	-	917,368
Community Development Block Grant	323,804	-	323,804
Supporting Services:			
Management and General	510,256	-	510,256
Membership	508,009	-	508,009
Total Expenses	4,174,770	-	4,174,770
Increase in Net Assets	88,574	-	88,574
Transfer of Equity	-	-	-
Net Assets, Beginning of Year	3,612,496	-	3,612,496
Net Assets, End of Year	\$ 3,701,070	\$ -	\$ 3,701,070

The accompanying notes are an integral part of this statement.

2009

<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
2,138,342	-	2,138,342
950,568	-	950,568
91,244	-	91,244
553,569	-	553,569
532,644	-	532,644
<u>4,266,367</u>	<u>-</u>	<u>4,266,367</u>
463,496	-	463,496
5,768	(29,878)	(24,110)
<u>3,143,232</u>	<u>29,878</u>	<u>3,173,110</u>
<u>\$ 3,612,496</u>	<u>\$ -</u>	<u>\$ 3,612,496</u>

PELICAN CHAPTER - ASSOCIATED BUILDERS AND CONTRACTORS, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Cash Flows From Operating Activities:		
Increase in Net Assets	\$ 88,574	\$ 463,496
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	140,701	136,838
(Gain) Loss on Sale of Land	-	(160,319)
Transfer of Equity	-	(24,110)
Changes in Assets and Liabilities:		
(Increase) Decrease in Receivables	120,940	(179,479)
(Increase) Decrease in Prepaid Expenses	16,519	(17,367)
Increase (Decrease) in Accounts Payable	(5,209)	24,116
Increase (Decrease) in Due to ABC-PAC	7,100	(10,550)
Increase (Decrease) in Due to ABC-State Chapter	919	(507)
Increase (Decrease) in Due to ABC-Bayou Chapter	(17,304)	7,265
Increase (Decrease) in Due to ABC-National	(32,894)	(36,320)
Increase (Decrease) in Accrued Expenses	21,360	(26,615)
Increase (Decrease) in Advance Collections	(121,394)	(14,018)
Increase (Decrease) in Due to E.P. Breaux Training Trust	-	(55,850)
Net Cash Provided by Operating Activities	<u>219,312</u>	<u>106,580</u>
Cash Flows From Investing Activities:		
Purchases/Donation of Property and Equipment	(11,165)	84,969
Net Purchases and Maturities of Certificates of Deposit	<u>(11,076)</u>	<u>(464,873)</u>
Net Cash Used in Investing Activities	<u>(22,241)</u>	<u>(379,904)</u>
Net Increase (Decrease) in Cash and Cash Equivalent	197,071	(273,324)
Cash and Cash Equivalent - Beginning of Year	<u>1,533,796</u>	<u>1,807,120</u>
Cash and Cash Equivalent - End of Year	<u>\$ 1,730,867</u>	<u>\$ 1,533,796</u>

The accompanying notes are an integral part of this statement.

PELICAN CHAPTER - ASSOCIATED BUILDERS AND CONTRACTORS, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2010 AND 2009

Note 1 - Summary of Significant Accounting Policies -

Organization

The Pelican Chapter - Associated Builders and Contractors, Inc. is a "non-stock", "non-profit" corporation under IRS code section 501(c)(6), chartered in Louisiana that is comprised of various contractors and related associate members for the purpose of fostering and perpetuating the principles of the Merit Shop.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

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, as applicable. The Organization has no temporarily restricted or permanently restricted net assets.

Contributions

All contributions are considered available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes, depending on the nature of the restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose of 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.

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 of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Property and Equipment

Property and equipment are recorded at cost. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property and equipment are depreciated using the straight-line method.

Deferred and Unearned Income

Dues and tuition collected in advance, which are subject to apportionment, are deferred in these financial statements and will be recognized when earned.

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, the Organization considers all unrestricted highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Certificates of Deposit

Certificates of deposit are carried at cost, which approximates market value, and have maturities greater than three months but less than one year.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Accrued Personal Time Off (PTO)

It is the Organization's policy to permit employees to accumulate up to 40 hours maximum of earned but unused PTO benefits. Any earned PTO benefits over 40 hours will be forfeited at year-end. Any earned but unused PTO benefits will be paid when the employees' services with the Organization is terminated. A liability for the unused amounts is reported in these financial statements.

Income Taxes

The Organization is a qualified not-for-profit organization and is exempt from income taxes under Internal Revenue Code 501(c)(6). With few exceptions, the Organization is no longer subject to federal or state examinations by tax authorities for the years before 2007.

Subsequent Events

The Organization evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through June 2, 2011, the date which the financial statements were available to be issued.

Note 2 - Employee Benefit Plan -

A 401(K) employee benefit plan was established in January 1989. Under the plan, the employer contributes four percent of the employee's gross salary plus fifty percent of the employee's contribution, but not more than an additional four percent. The retirement plan is available to those employees who have completed one full year of service. Retirement expense for the years ended December 31, 2010 and 2009 was \$63,923 and \$55,588, respectively.

Note 3 - Designated Net Assets -

The Organization had the following designated net assets at December 31, 2010 and 2009:

	<u>2010</u>	<u>2009</u>
Designated for Contingencies	\$ 159,236	\$ 134,076

During 2009, the Board of Directors elected to establish a contingency fund. In order to set up this board designated fund, temporarily restricted net assets were transferred from temporarily restricted funds in the amount of \$5,768. See Note 4 for further details. In addition, a portion of the proceeds from the sale of land during 2009 were also transferred into this fund. During 2010, the Board designated an additional \$25,000 to be added to the contingency fund.

Note 4 - Transfer of Equity -

Temporarily restricted net assets as of December 31, 2008 for the ICC Funds and the High School Merit Scholarship were remitted to the Louisiana Construction Education Foundation in 2009 as requested by the Agency. The total of these temporarily restricted assets that were transferred from restrictions was \$24,110. The remaining temporarily restricted net assets of \$5,768 were transferred to the contingency fund as discussed in Note 3.

Note 5 - Related Parties -

The Pelican Chapter - Associated Builders and Contractors, Inc. is affiliated with the National Associated Builders and Contractors, Inc. and the Louisiana Chapter - Associated Builders and Contractors, Inc. The Pelican Chapter pays dues to each organization throughout the year. National dues paid during the fiscal years ended December 31, 2010 and 2009 were \$137,552 and \$140,753, respectively. The Pelican Chapter owed National for renewal dues paid in advance at December 31, 2010 and 2009 totaling \$31,931 and \$64,825, respectively. State dues paid during the fiscal years ended December 31, 2010 and 2009 were \$7,880 and \$8,240, respectively. The Pelican Chapter - Associated Builders and Contractors provides office space and administrative services to the Louisiana Chapter free of charge. At December 31, 2010 and 2009, the Louisiana Chapter owed the Pelican Chapter \$11,924 and \$22,688. The Pelican Chapter owed the Louisiana Chapter \$9,515 and \$8,596 at December 31, 2010 and 2009, respectively.

The Pelican Chapter - Associated Builders and Contractors owed the Bayou Chapter - Associated Builders and Contractors \$4,529 and \$21,833 at December 31, 2010 and 2009, respectively.

The Pelican Chapter owed the ABC - Pelican Chapter PAC \$29,050 and \$21,950 at December 31, 2010 and 2009, respectively.

The Pelican Chapter is also affiliated with the Louisiana Construction Education Foundation (LCEF). As of December 31, 2010 and 2009, LCEF owed the Pelican Chapter \$1,062 and \$765 for various expenses paid for by the Pelican Chapter on behalf of LCEF. The Pelican Chapter also provides accounting services to LCEF at no charge.

Note 6 - Contractors/Owners -

The Baton Rouge Training Center (BRTC) receives a voluntary contribution each month from ABC member contractors and Industrial Contractors Council members based on the estimated number of hours worked by each contractor in the GBRIA member plants. In the Baton Rouge area, the contribution amount is based on \$0.07 per manhour and is paid by Greater Baton Rouge Industrial Alliance (GBRIA) plant members to the Merit Shop contractors. These contractors, in turn, pay BRTC. The contribution for the Lake Charles area is \$0.12 per manhour. The contribution is collected in a fund by the Southwest Louisiana Construction Users Council (SLCUC). The SLCUC remits these funds to the Chapter as a reimbursement of expenses of the Southwest Louisiana Training Center.

Note 7 - Concentrations -

The Organization maintains cash accounts and certificates of deposits with commercial banks, which are insured by the Federal Deposit Insurance Corporation. Periodically, cash and certificates of deposits may exceed the federally insured amount.

Note 8 - Leases -

The Chapter leases certain equipment under non-cancelable operating leases. Lease expense paid during the years ended December 31, 2010 and 2009 was \$6,455 and \$6,352, respectively. The lease was paid in full during 2009. The Chapter is now on a month-to-month rental agreement.

Note 9 - Rental Income -

The Chapter leases certain facilities and parking space to a tenant under a non-cancelable operating lease. Rent income received during the years ended December 31, 2010 and 2009 was \$31,620. Future minimum lease payments under the lease that have non-cancelable terms in excess of one year at December 31, 2010 are as follows:

2011	\$ 25,620
2012	<u>14,945</u>
	<u>\$ 40,565</u>

SUPPLEMENTARY INFORMATION

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June 2, 2011

Independent Auditor's Report on
the Supplementary Information

To the Board of Directors and Members
Pelican Chapter - Associated Builders
and Contractors, Inc.
Baton Rouge, Louisiana

We have audited the financial statements of Pelican Chapter - Associated Builders and Contractors, Inc. as of and for the years ended December 31, 2010 and 2009, and have issued our report thereon dated June 2, 2011, which contained an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Unrestricted Revenue and Expenses is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Respectfully submitted,

Hannis T. Bourgeois, LLP

PELICAN CHAPTER - ASSOCIATED BUILDERS AND CONTRACTORS, INC.

SCHEDULE OF UNRESTRICTED REVENUE AND EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2010 WITH COMPARATIVE TOTALS
FOR THE YEAR ENDED DECEMBER 31, 2009

	Chapter	Training Center- Baton Rouge	Training Center- Lake Charles	Community Development Block Grant	2010	2009
Revenue:						
Renewals	\$ 663,559	\$ -	\$ -	\$ -	\$ 663,559	\$ 658,453
New Members	22,100	-	-	-	22,100	30,234
Contractors/Owners	-	1,407,164	620,570	-	2,027,734	2,510,653
Government Grants	-	-	59,320	323,703	383,023	168,635
Interest	5,743	8,167	-	-	13,910	20,839
Legislative Funds	2,000	-	-	-	2,000	2,000
Membership Events	176,955	-	-	-	176,955	234,278
Miscellaneous	24,288	132,494	16,694	-	173,476	350,958
Newsletter	42,837	-	-	-	42,837	46,513
Rent	31,620	-	-	-	31,620	31,620
Book Sales	-	1,009	-	-	1,009	18,645
Skill Assessment Fees	-	92,205	30,050	-	122,255	75,630
Student Fees	55,736	273,073	209,217	-	538,026	334,871
Supervisory Training	-	64,840	-	-	64,840	86,215
Gain on Sale of Assets	-	-	-	-	-	160,319
Total Revenue	1,024,838	1,978,952	935,851	323,703	4,263,344	4,729,863
Net Assets Released from Restriction	-	-	-	-	-	-
Total Revenue and Net Assets Released from Restriction	1,024,838	1,978,952	935,851	323,703	4,263,344	4,729,863

(CONTINUED)

	Chapter	Training Center- Baton Rouge	Training Center- Lake Charles	Community Development Block Grant	2010	2009
Expenses:						
Personnel	364,593	401,656	295,639	-	1,061,888	1,093,027
Business Expense	59,613	40,086	16,088	25,931	141,718	141,035
Communications	60,804	13,361	10,195	-	84,360	86,636
Council and Communications	130	-	2,069	-	2,199	5,343
Depreciation	29,313	98,528	12,860	-	140,701	136,838
Dues - National & State	188,332	-	-	-	188,332	200,693
Government Relations	90,391	-	-	-	90,391	74,867
Instructional	18,385	1,108,622	482,224	292,009	1,901,240	1,976,147
Meetings and Events	133,394	4,567	-	-	137,961	168,787
Membership						
Recruitment	8,251	-	-	-	8,251	4,329
Occupancy	31,365	229,831	90,654	-	351,850	293,803
Office Supplies and Equipment	19,679	7,688	3,839	98	31,304	28,892
Professional Services	8,600	8,010	3,800	5,766	26,176	47,135
Miscellaneous	5,415	2,984	-	-	8,399	8,835
Total Expenses	1,018,265	1,915,333	917,368	323,804	4,174,770	4,266,367
Increase (Decrease) in Net Assets	\$ 6,573	\$ 63,619	\$ 18,483	\$ (101)	\$ 88,574	\$ 463,496

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June 2, 2011

Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters Based on
an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards*

To the Board of Directors and Members
Pelican Chapter - Associated Builders
and Contractors, Inc.
Baton Rouge, Louisiana

We have audited the financial statements of Pelican Chapter - Associated Builders and Contractors, Inc. (a nonprofit organization) as of and for the years ended December 31, 2010 and 2009, and have issued our report thereon dated June 2, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Chapter's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Chapter's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Chapter's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Chapter's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the Board of Directors, management, the Office of the Louisiana Legislative Auditor and any cognizant agency, and is not intended to be and should not be used by anyone other than these specified parties. However, under the provisions of Louisiana Revised Statute 24:513, this report is distributed by the legislative auditor as a public document and its distribution is not limited.

Respectfully submitted,

Hannis T. Bourgeois, LLP

PELICAN CHAPTER - ASSOCIATED BUILDERS AND CONTRACTORS, INC.

SUMMARY SCHEDULE OF AUDIT FINDINGS

FOR THE YEAR ENDED DECEMBER 31, 2010

None

PELICAN CHAPTER - ASSOCIATED BUILDERS AND CONTRACTORS, INC.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED DECEMBER 31, 2010

None