

LOUISIANA 4-H FOUNDATION, INC.

Baton Rouge, Louisiana

Financial Report

Years Ended June 30, 2014 and 2013

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INDEPENDENT AUDITORS' REPORT

* A Professional Accounting Corporation

To the Board of Directors
Louisiana 4-H Foundation, Inc.
Baton Rouge, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the Louisiana 4-H Foundation, Inc. (a nonprofit organization) (the Foundation) which comprise the statements of financial position as of June 30, 2014 and 2013, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of June 30, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 13 through 16 are presented for purposes of additional analysis and is not a required part of the financial statements. This information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 4, 2014 on our consideration of the Foundation'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* in considering the Foundation's internal control over financial reporting and compliance.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
September 4, 2014

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Statements of Financial Position
June 30, 2014 and 2013

	2014	2013
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 124,519	\$ 114,689
Receivables	<u>125,890</u>	<u>18,487</u>
Total current assets	<u>250,409</u>	<u>133,176</u>
Non-current assets:		
Furniture and equipment	16,341	8,910
Accumulated depreciation	<u>(3,336)</u>	<u>(1,511)</u>
Total non-current assets	<u>13,005</u>	<u>7,399</u>
Total assets	<u>\$ 263,414</u>	<u>\$ 140,575</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 11,026	\$ 4,592
Contract payable	104,828	-
Retainage payable	<u>5,517</u>	<u>-</u>
Total current liabilities	<u>121,371</u>	<u>4,592</u>
Net assets:		
Unrestricted	102,394	73,222
Temporarily restricted	<u>39,649</u>	<u>62,761</u>
Total net assets	<u>142,043</u>	<u>135,983</u>
Total liabilities and net assets	<u>\$ 263,414</u>	<u>\$ 140,575</u>

The accompanying notes are an integral part of this statement.

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Statements of Activities
For The Years Ended June 30, 2014 and 2013

	2014	2013
Changes in unrestricted net assets:		
Contributions and other -		
General contributions	\$ 53,274	\$ 25,738
Foundation contributions	117,189	72,355
Contributions - LSU Foundation	49,027	190,684
Concessions	116,818	66,925
Reimbursements	10,734	13,445
Other income	7,177	7,845
Interest income	274	287
Total contributions	354,493	377,279
Fundraising -		
Golf tournament	21,807	24,164
Ticket sales	-	3,170
Other	3,912	-
Total fundraising	25,719	27,334
Net assets released from restrictions:		
Restrictions satisfied by payments	179,425	52,749
Expenses -		
Program services:		
Leadership and Citizenship	343,169	232,274
Supporting services:		
Fundraising expense	44,460	28,490
Management and general	142,836	155,164
Total expenses	530,465	415,928
Increase in unrestricted net assets	29,172	41,434
Changes in temporarily restricted assets:		
Contributions:		
4-H participants assistance	23,134	23,757
Building campaign	133,179	-
Total contributions	156,313	23,757
Net assets released from restrictions	(179,425)	(52,749)
Decrease in temporarily restricted assets	(23,112)	(28,992)
Increase in net assets	6,060	12,442
Net assets, beginning	135,983	123,541
Net assets, ending	\$ 142,043	\$ 135,983

The accompanying notes are an integral part of this statement.

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Statements of Cash Flows
For The Years Ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities:		
Change in net assets	\$ 6,060	\$ 12,442
Adjustments to reconcile change in net assets to net cash flow from operating activities -		
Depreciation	1,825	891
(Increase) decrease in operating assets		
Receivables	(107,403)	4,337
Increase (decrease) in operating liabilities		
Accounts payable	6,434	(10,866)
Contract payable	104,828	-
Retainage payable	<u>5,517</u>	<u>-</u>
Total adjustments	<u>11,201</u>	<u>(5,638)</u>
Net cash provided by operating activities	17,261	6,804
Cash flows from investing activities:		
Purchase of property and equipment	<u>(7,431)</u>	<u>(8,194)</u>
Net increase (decrease) in cash and cash equivalents	9,830	(1,390)
Cash and cash equivalents, beginning of year	<u>114,689</u>	<u>116,079</u>
Cash and cash equivalents, end of year	<u>\$ 124,519</u>	<u>\$ 114,689</u>

The accompanying notes are an integral part of this statement.

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

A. Nature of Activities

The Louisiana 4-H Foundation, Inc. (Foundation) is a non-profit corporation organized under the laws of the State of Louisiana. The Foundation's mission is to secure private funding for the enhancement of the 4-H Youth Development Program. These programs assist the youth of Louisiana to learn leadership, citizenship, and life skills.

B. Statement of Cash Flows

For purposes of the statement of cash flows, the Foundation considers all highly liquid interest-bearing deposits with a maturity of three months or less when purchased to be cash equivalents.

C. Receivables

Receivable are stated at unpaid balances, less an allowance for doubtful accounts. The Foundation provides for losses on accounts receivable using the allowance method. The allowance is based on experience and other circumstances, which may affect the ability of individuals to meet their obligations. It is the Foundation's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected. The allowance for doubtful accounts for the years ended June 30, 2014 and 2013 was \$-0- and \$-0- respectively.

D. Contributions

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The Foundation reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated asset, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished; temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activity as net assets released from restrictions.

Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Notes to Financial Statements (Continued)

Unconditional promises to give due in subsequent years are reported at the present value of their net realizable value using risk-free discount rates applicable to the years in which the promises are to be received.

E. Income Tax Status

The Foundation qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes. The Foundation is not classified as a private foundation.

F. Donated Services and Materials

A substantial number of volunteers have donated time to the Foundation's program and supporting services. No amounts have been included in the financial statements for the donated services of volunteers because the criteria for recognition of such volunteer effort under FASB ASC 958-605-25 have not been satisfied. Other donated services and donated materials are stated at their estimated fair value on the date donated. Donated services and materials for the years ended June 30, 2014 and 2013 was \$-0- and \$-0- respectively.

G. Depreciation

Land, buildings and furniture and equipment are valued at cost, or fair market value in the case of donated property. The Foundation maintains a threshold level of \$500 or more for capitalizing capital assets. Depreciable assets are depreciated using the straight-line method over the estimated useful lives of the individual assets as follows:

Furniture and equipment	5 – 7 years
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H. Functional Allocation of Expenses

The costs of providing various programs and other 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.

I. Restricted and Unrestricted Revenue

Donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Notes to Financial Statements (Continued)

J. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires 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 amount of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

(2) Receivables

The following is a summary of receivables at June 30, 2014 and 2013:

	2014	2013
Concessions	\$ 35,965	\$ 18,467
Individual and corporation contributions	165	20
Participant events	769	-
Other	1,020	-
Building campaign LSU Foundation	65,550	-
Building campaign grants	22,421	-
	<u>\$ 125,890</u>	<u>\$ 18,487</u>

(3) Furniture and Equipment

The following is a summary of furniture and equipment at June 30, 2014 and 2013:

	2014	2013
Furniture and equipment	\$ 16,341	\$ 8,910
Less: Accumulated depreciation	<u>(3,336)</u>	<u>(1,511)</u>
Net furniture and equipment	<u>\$ 13,005</u>	<u>\$ 7,399</u>

Depreciation expense for the years ended June 30, 2014 and 2013 was \$1,825 and \$891, respectively.

(4) Concentration of Credit Risk

The Foundation's cash is deposited in one financial institution. Cash accounts at banks are insured by the FDIC for up to \$250,000. Amounts in excess of insured limits were approximately \$-0- and \$-0- at June 30, 2014 and 2013, respectively.

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Notes to Financial Statements (Continued)

(5) Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purpose:

	2014	2013
4-H Events- Defrays the costs incurred by 4-H participants who are being honored at or participating in various 4-H sponsored events.	\$ 16,961	\$ 15,714
Building campaign - Funds held by the 4-H Foundation to cover the costs of improvements to Camp Grant Walker.	22,688	47,047
	\$ 39,649	\$ 62,761

(6) Risk Management

The Foundation is exposed to risks of loss in the areas of general liability and property hazards. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year. Insurance settlements did not exceed insurance coverage during 2014 and 2013.

(7) Commitments and Contingencies

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Foundation expects such amounts, if any, to be immaterial. Also, a liability for findings and questioned costs is not established until final disposition of such matters by the funding agency.

(8) Cooperative Endeavor

On May 27, 2008 the Foundation entered into a cooperative endeavor with the State of Louisiana. The purpose of this cooperative endeavor is to provide the Foundation with \$250,000 from the State of Louisiana's capital outlay funds for improvements to Camp Grant-Walker. All revenues received and expenses incurred during the fiscal year related to this endeavor are recorded in the Statement of Activities. The Foundation is responsible for project oversight and administration. The improvements to Camp Grant-Walker will be donated to the LSU System.

(9) Donated Facilities

The Foundation receives the free use of office space in LSU's facilities. Additionally, the Foundation uses facilities at Camp Grant-Walker to host summer camp and various other functions for 4-H participants. Contributions and expenses related to the donated facilities amounting to \$20,600 have been reflected in the accompanying statement of activities.

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Notes to Financial Statements (Continued)

(10) Tax Status

The Foundation received its latest determination letter on October 30, 2008, in which the Internal Revenue Service stated that the Foundation was in compliance with the applicable requirements of the Internal Revenue Code (IRC). Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Foundation and recognize a tax liability (or asset) if the Foundation has undertaken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Foundation, and has concluded that as of June 30, 2014 and 2013, respectively, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Foundation is subject to routine audit by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes it is no longer subject to income tax examinations for years prior to 2010.

(11) Donations

The Foundation received revenues and incurred expenses related to the construction of a multi-purpose building at Camp Grant Walker. This camp is owned by the LSU System. The Foundation will not retain any part of the building and therefore it will be donated to the LSU System as work progresses. \$157,538 and \$-0- were recorded as donations in 2014 and 2013, respectively.

(12) Subsequent Events

The Foundation has evaluated subsequent events through September 4, 2014, the date which the financial statements were available to be issued.

(13) On Behalf Payments

The Louisiana 4-H Foundation, Inc. has an affiliation agreement with the Louisiana State University (LSU) Foundation wherein the LSU Foundation maintains both endowed and unendowed funds for the Louisiana 4-H Foundation, Inc. These funds are administered, distributed, and accounted for by the LSU Foundation. These funds are distributed, when available, at the request of the Louisiana 4-H Foundation, Inc. to fulfill certain needs of the Louisiana 4-H Foundation, Inc. and provide participants of various 4-H organizations throughout Louisiana with scholarships, after school and summer activities and other events. The distribution of these funds provides an economic benefit to the Louisiana 4-H Foundation, Inc. During the fiscal years ended June 30, 2014 and 2013 on behalf funds distributed were \$418,223 and \$242,681, respectively.

**OTHER SUPPLEMENTARY
INFORMATION**

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Statement of Functional Expenses
For the Year Ended June 30, 2014

	Program Services	Supporting Services		Total Expenses
	Leadership and Citizenship	Fund Raising	Management and General	
4-H participant events	\$ 44,340	\$ -	\$ -	\$ 44,340
Contributions - LSU foundation	64,197	-	-	64,197
Donor cultivation	-	-	16,343	16,343
Donation expense	157,538	-	-	157,538
Foundation expenses	-	28,977	88,212	117,189
Golf tournament	-	10,228	-	10,228
Meeting expense	-	-	325	325
Miscellaneous	3,290	5,255	-	8,545
Postage and shipping	-	-	2,911	2,911
Printing	-	-	2,187	2,187
Professional fees	-	-	20,355	20,355
Repairs and maintenance	-	-	7,152	7,152
Supplies	<u>73,804</u>	<u>-</u>	<u>3,526</u>	<u>77,330</u>
 Total expenses before depreciation	 343,169	 44,460	 141,011	 528,640
Depreciation	<u>-</u>	<u>-</u>	<u>1,825</u>	<u>1,825</u>
Total	<u>\$ 343,169</u>	<u>\$ 44,460</u>	<u>\$142,836</u>	<u>\$ 530,465</u>

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Statement of Functional Expenses
For the Year Ended June 30, 2013

	Program Services	Supporting Services		Total Expenses
	Leadership and Citizenship	Fund Raising	Management and General	
4-H participant events	\$ 53,231	\$ -	\$ -	\$ 53,231
Contributions - LSU foundation	113,843	-	-	113,843
Donor cultivation	-	-	24,635	24,635
Donation expense	-	-	20,209	20,209
Foundation expenses	-	15,526	56,829	72,355
Golf tournament	-	11,175	-	11,175
Meeting expense	-	-	447	447
Miscellaneous	75	299	6,083	6,457
Postage and shipping	-	-	1,866	1,866
Printing	-	-	1,926	1,926
Professional fees	-	-	39,600	39,600
Supplies	65,125	-	2,678	67,803
Ticket sales	-	1,490	-	1,490
	<u>232,274</u>	<u>28,490</u>	<u>154,273</u>	<u>415,037</u>
Total expenses before depreciation				
Depreciation	<u>-</u>	<u>-</u>	<u>891</u>	<u>891</u>
Total	<u>\$ 232,274</u>	<u>\$ 28,490</u>	<u>\$155,164</u>	<u>\$ 415,928</u>

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Schedule of changes in LSU Foundation accounts
For The Year Ended June 30, 2014

Account/Function	Balance 7/1/13	Additions	Deductions	Balance 6/30/14
4H Building Fund	\$ 857,598	\$ 106,900	\$ 110,758	\$ 853,740
4H Good Provider	215	-	-	215
4H Best Community Club & Jr. Leadership	98	-	-	98
4H Leaders Conference	1,905	-	789	1,116
LA 4H Bank Campaign Fund	3,234	2,018	4,544	708
LA Campaign for 4H	19,471	23,490	26,619	16,342
Marsh Maneuvers Support Fund	1,230	949	174	2,005
4H Educational Trip Support Fund	22,181	36,684	56,174	2,691
Ag Magic Support Fund	2,249	-	-	2,249
Joe & Suzanne Walters Fund	993	547	380	1,160
Bonner 4H Scholarship	845	285	300	830
4H Centennial Fund	423	39	462	-
4H Museum Fund	13,240	359	377	13,222
Grant Walker 4H Ed Support Fund	9,245	492	1,023	8,714
Outdoor Skills Fund	3,712	-	-	3,712
4H Camp Environmental Ed Fund	3,811	-	-	3,811
Camp Walker Educational Track Fund	2,380	52	1,323	1,109
4H Camp Shooting Range	-	864	864	-
4H Camp Medical Care Fund	5,254	-	3,291	1,963
Gerry Lane 4H Scholarship	1,275	747	1,178	844
LA 4H Foundation Fund	44,757	103,381	109,429	38,709
John A Cox 4H Development Fund	21,118	21,098	26,142	16,074
LA Seafood Promotion	8,333	4,718	2,633	10,418
McCrary Family 4H Scholarship	473	674	633	514
4H Educational Trip Endowment	2,764	1,052	1,022	2,794
Rosalie Bivin 4H Faculty Award	850	1,181	291	1,740
SWEPCO 4H Camp Scholarship	1,218	564	134	1,648
Charles Fuselier Scholarship	2,021	682	290	2,413
AP & Beryl Parham Scholarship	1,797	1,232	1,393	1,636
Bruce Flint Scholarship	1,219	1,487	1,554	1,152
C.J. Naquin Scholarship	652	992	340	1,304
Cliff Williams Scholarship	500	712	170	1,042
Edward W. Gassie Scholarship	408	583	547	444
Gloria Perkins Scholarship	859	1,223	1,150	932
Jason McClaran Memorial Scholarship	834	810	743	901
Larry de la Bretonne Scholarship	1,515	713	170	2,058

(continued)

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Schedule of changes in LSU Foundation accounts (continued)
For The Year Ended June 30, 2014

Account/Function	Balance 7/1/13	Additions	Deductions	Balance 6/30/14
Lod Cook Scholarship	\$ 459	\$ 620	\$ 607	\$ 472
Ruth Johnson Scholarship	472	625	621	476
Carl & Beulah Baldrige Endowment	18,356	27,882	24,994	21,244
Warren Mermilliod Fund	2,112	992	394	2,710
Jack Bagent Fund	1,894	700	167	2,427
Volunteer Leader Training Fund Fund	8,045	6,360	5,747	8,658
John S. Sullivan Memorial Fund	2,009	1,327	751	2,585
Naomi & Lesley Flowers Fund	2,089	1,302	310	3,081
Challenge Camp Support	18,123	9,320	11,020	16,423
4-H Program Support	5,416	6,692	5,250	6,858
4-H University Program Support	6,282	6,718	3,197	9,803
Shannon Elliot Endowment	2,032	753	179	2,606
Terril D. Faul Scholarship	1,224	1,313	1,476	1,061
Beauregard CattleWomen Scholarship	480	685	463	702
Southeast District Livestock Endowment	1,483	2,114	503	3,094
Scotty Moore Memorial Scholarship	1,319	1,091	760	1,650
Richardson 4-H Youth Scholarship Endowment	4,016	1,259	325	4,950
4-H Forestry Endowment	1,516	683	986	1,213
Beatty Memorial Scholarship	3,746	1,610	383	4,973
Hilda D. and Vardaman Williams, Jr. Scholarship	1,907	1,158	801	2,264
Holbern "Bot" Burch Memorial Scholarship	2,945	1,245	796	3,394
Troy A. Menard Memorial Scholarship	1,535	1,478	873	2,140
Joe Barrett Memorial Fund	459	575	387	647
Union Parish 4-H Youth Endowment	685	554	229	1,010
Larry Brock Memorial Scholarship	1,118	771	959	930
Louis Mouch Memorial Scholarship	1,016	586	140	1,462
S.E. and Cecile Wood	332	686	413	605
Coreil 4-H Wetlands and Coastal Resources	-	491	169	322
Lyle Maier Bayle Memorial Scholarship	-	2,588	426	2,162
Total balances	<u>\$1,129,747</u>	<u>\$ 396,706</u>	<u>\$ 418,223</u>	<u>\$1,108,230</u>

**INTERNAL CONTROL,
COMPLIANCE
AND
OTHER MATTERS**

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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INDEPENDENT AUDITORS' 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
Louisiana 4-H Foundation, Inc.
Baton Rouge, Louisiana

We have audited, in accordance with the 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, the financial statements of the Louisiana 4-H Foundation, Inc. (a nonprofit organization) (the Foundation), which comprise the statement of financial position as of June 30, 2014 and 2013 and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 4, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Foundation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of current and prior year audit findings and management's corrective action plan, we identified a certain deficiency in internal control that we consider to be a material weakness.

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. We consider item 2014-001 in the accompanying schedule of current and prior year audit findings and management's corrective action plan to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Foundation'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*.

Foundation's Response to Findings

The Foundation's response to the finding identified in our audit is described in the accompanying schedule of current and prior year audit findings and management's corrective action plan. We did not audit the Foundation's response and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
September 4, 2014

LOUISIANA 4-H FOUNDATION, INC.
Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended June 30, 2014

Part I: Current Year Findings and Management's Corrective Action Plan

A. Internal Control Over Financial Reporting

2014-001 Inadequate Segregation of Accounting Functions

CONDITION: The Louisiana 4-H Foundation, Inc. did not have adequate segregation of functions within the accounting system.

CRITERIA: AU-C §315.04, *Understanding the Entity and its Environment and Assessing the Risks of Material Misstatement*, defines internal control as follows:

“Internal control is a process, affected by those charged with governance, management, and other personnel, designed to provide reasonable assurance about the achievement of objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.”

Additionally, Statements on Standards for Attestation Engagements (SSAE) AT§501.07 states:

“An entity’s internal control over financial reporting includes those policies and procedures that pertain to an entity’s ability to record, process, summarize, and report financial data consistent with the assertions embodied in either annual financial statements or interim financial statements, or both.”

CAUSE: The cause of the condition is the fact that the Foundation does not have a sufficient number of staff performing administrative and financial duties so as to provide adequate segregation of accounting and financial duties.

EFFECT: Failure to adequately segregate accounting and financial functions increases the risk that errors and/or irregularities including fraud and/or defalcations may occur and not be prevented and/or detected.

RECOMMENDATION: Due to the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

MANAGEMENT’S CORRECTIVE ACTION PLAN: In response to your audit assessment, I am submitting the following managerial changes in an effort to eliminate the cited deficiencies in segregation of duties. 1) To provide segregation of financial duties management will require prior approval from either the Associate Vice-Chancellor, State 4-H Department Head or the State 4-H Associate Department Head for all expenses submitted to the 4-H Foundation by State 4-H employees, program volunteers, or youth members. Once requests are approved they will be submitted to the Executive Director

LOUISIANA 4-H FOUNDATION, INC.
Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan (Continued)
Year Ended June 30, 2014

for final approval and payment. 2) All purchases not fitting into the above category which are \$500 and above must be approved by an officer of the Louisiana 4-H Foundation Board. Approvals may be secured in person or via e-mail after providing the officer with the vendor, date of purchase, purpose and amount. 3) The Louisiana 4-H Foundation will continue to provide a monthly bank statement to the Board for review via e-mail. Additionally, the Foundation will continue to use the current check long system as an additional control over cash receipts.

Part II: Prior Year Findings:

A. Internal Control Over Financial Reporting

2013-001 Inadequate Segregation of Accounting Functions

CONDITION: The Louisiana 4-H Foundation, Inc. did not have adequate segregation of functions within the accounting system.

RECOMMENDATION: Based upon the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

CURRENT STATUS: Unresolved. See item 2014-001.

2013-002 Application of Generally Accepted Accounting Principles (GAAP)

CONDITION: The Louisiana 4-H Foundation, Inc. does not have adequate internal controls over recording the entity's financial transactions or preparing its financial statements, including the related notes in accordance with generally accepted accounting principles (GAAP).

RECOMMENDATION: The additional costs required to achieve the desired benefit may not be economically feasible.

CURRENT STATUS: Resolved.

LOUISIANA 4-H FOUNDATION, INC.

INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

Year Ended June 30, 2014

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Mr. Jeff Bush, Executive Director
Louisiana 4-H Foundation, Inc.
Baton Rouge, Louisiana

We have performed the procedures enumerated below, which were agreed to by the Louisiana 4-H Foundation, Inc., solely to assist you with respect to the Allen Parish 4-H Foundation, Inc.'s compliance with the Affiliation Agreement of the Louisiana 4-H Foundation, Inc. The Parish 4-H Foundation's management is responsible for the Parish 4-H Foundation's compliance with the Affiliation Agreement of the Louisiana 4-H Foundation, Inc. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in 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.

Our procedures and findings are as follows:

- We randomly selected certain disbursements to determine that the disbursements were made for operating and administrative expenses and were made in accordance with the Parish 4-H Foundation's policies. No exceptions were noted.
- We obtained a list of all Parish 4-H Foundation officers and directors and scanned a detailed check listing as well as W-2's and 1099's (if applicable) to determine if any funds were distributed for salaries, compensation or other benefits to these individuals. We noted no disbursements made to officers or directors that resembled salaries, compensation, or other benefits.

- We interviewed management and reviewed the Parish 4-H Foundation's policies and procedures to determine if the Parish 4-H Foundation has an adequate system of controls to ensure compliance with laws and regulations. The Parish 4-H Foundation appears to have limited controls in place to ensure compliance with laws and regulations; however, we feel the following areas should be improved:

- i. General Controls:

- 1. The Parish 4-H Foundation should attempt to maintain adequate segregation of duties within the accounting functions in as much as the financial benefit outweighs the cost.
 - 2. A member of the Parish 4-H Foundation's Board should review the bank reconciliations monthly and the financial reports quarterly. This review should be documented with the member's signature and the date reviewed.
 - 3. The Parish 4-H Foundation should maintain all books and records on a fiscal year ending on June 30.

- ii. Cash Receipts:

- 1. The Parish 4-H Foundation should issue and retain copies of receipts for all money received. These receipts should be easily reconciled to the financial statements and bank statements.

- We reviewed copies of the minutes of the Parish 4-H Foundation's board meetings, the semi-annual financial statements, the Parish 4-H Foundation's form 990 or 990N, Articles of Incorporation, Foundation By-Laws, and Affiliation Agreement with the Louisiana 4-H Foundation (if available) to determine that these meetings and reports were made available to the appropriate individuals or organizations in a timely manor.

- i. The Parish 4-H Foundation Board did not meet on a regular basis, at least quarterly, to properly oversee the activities of the Parish 4-H Foundation.

- ii. As of the date of this report, the Parish 4-H Foundation did not file its annual form 990 or 990N as required by the Internal Revenue Service for all not-for-profit organizations; however, it appears that the prior year tax return was filed timely.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion, on the specified elements, accounts, or items. 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 information and use of the specified users listed above and is not intended to be and should not be used by anyone other than those specified parties.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
August 5, 2014

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

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Mr. Jeff Bush, Executive Director
Louisiana 4-H Foundation, Inc.
Baton Rouge, Louisiana

We have performed the procedures enumerated below, which were agreed to by the Louisiana 4-H Foundation, Inc., solely to assist you with respect to the Assumption Parish 4-H Foundation, Inc.'s compliance with the Affiliation Agreement of the Louisiana 4-H Foundation, Inc. The Parish 4-H Foundation's management is responsible for the Parish 4-H Foundation's compliance with the Affiliation Agreement of the Louisiana 4-H Foundation, Inc. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in 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.

Our procedures and findings are as follows:

- We randomly selected certain disbursements to determine that the disbursements were made for operating and administrative expenses and were made in accordance with the Parish 4-H Foundation's policies.
 - i. Certain supporting documentation for expenses made by the Parish 4-H Foundation could not be located therefore; they may not have been made in accordance with Parish 4-H Foundation's policies. Of the expenses selected, those with supporting invoices appear to have been made in accordance with the Parish 4-H Foundation's policies.
- We obtained a list of all Parish 4-H Foundation officers and directors and scanned a detailed check listing as well as W-2's and 1099's (if applicable) to determine if any funds were distributed for salaries, compensation or other benefits to these individuals. We noted no disbursements made to officers or directors that resembled salaries, compensation, or other benefits.

- We interviewed management and reviewed the Parish 4-H Foundation's policies and procedures to determine if the Parish 4-H Foundation has an adequate system of controls to ensure compliance with laws and regulations. The Parish 4-H Foundation appears to have limited controls in place to ensure compliance with laws and regulations; however, we feel the following areas should be improved:

i. General Controls:

1. The Parish 4-H Foundation should attempt to maintain adequate segregation of duties within the accounting functions in as much as the financial benefit outweighs the cost.
2. A member of the Parish 4-H Foundation's Board should review the bank reconciliations monthly and the financial reports quarterly. This review should be documented with the member's signature and the date reviewed.

ii. Cash Receipts:

1. The Parish 4-H Foundation should issue and retain copies of receipts for all money received. These receipts should be easily reconciled to the financial statements and bank statements.

iii. Cash Disbursements:

1. The Parish 4-H Foundation should retain adequate supporting documents for all disbursements made by the Parish 4-H Foundation.
2. All checks over \$500 should be signed by two board members.
3. All information, including but not limited to date, vendor, amount and purpose should be completed on a check prior to being signed by the board.
4. All voided checks should be retained in the check book, marked void and have the signature line removed.
5. All checks and invoices should indicate the purpose of the transaction and proper GL coding to allow for an appropriate audit trail.

- We reviewed copies of the minutes of the Parish 4-H Foundation's board meetings, the semi-annual financial statements, the Parish 4-H Foundation's form 990 or 990N, Articles of Incorporation, Foundation By-Laws, and Affiliation Agreement with the Louisiana 4-H Foundation (if available) to determine that these meetings and reports were made available to the appropriate individuals or organizations in a timely manor.
 - i. The Parish 4-H Foundation Board did not meet on a regular basis, at least quarterly, to properly oversee the activities of the Parish 4-H Foundation.
 - ii. As of the date of this report, the Parish 4-H Foundation did not file its annual form 990 or 990N as required by the Internal Revenue Service for all not-for-profit organizations; however, it appears that the prior year tax return was filed timely.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion, on the specified elements, accounts, or items. 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 information and use of the specified users listed above and is not intended to be and should not be used by anyone other than those specified parties.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
August 1, 2014

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Mr. Jeff Bush, Executive Director
Louisiana 4-H Foundation, Inc.
Baton Rouge, Louisiana

We have performed the procedures enumerated below, which were agreed to by the Louisiana 4-H Foundation, Inc., solely to assist you with respect to the Catahoula Parish 4-H Foundation, Inc.'s compliance with the Affiliation Agreement of the Louisiana 4-H Foundation, Inc. The Parish 4-H Foundation's management is responsible for the Parish 4-H Foundation's compliance with the Affiliation Agreement of the Louisiana 4-H Foundation, Inc. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in 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.

Our procedures and findings are as follows:

- We randomly selected certain disbursements to determine that the disbursements were made for operating and administrative expenses and were made in accordance with the Parish 4-H Foundation's policies.
 - i. Several payments made by the Parish 4-H Foundation did not have supporting invoices; therefore; it may not have been made in accordance with Parish 4-H Foundation's policies. Of the expenses selected, those with supporting invoices appear to have been made in accordance with the Parish 4-H Foundation's policies.

- We obtained a list of all Parish 4-H Foundation officers and directors and scanned a detailed check listing as well as W-2's and 1099's (if applicable) to determine if any funds were distributed for salaries, compensation or other benefits to these individuals. We noted no disbursements made to officers or directors that resembled salaries, compensation, or other benefits.
- We interviewed management and reviewed the Parish 4-H Foundation's policies and procedures to determine if the Parish 4-H Foundation has an adequate system of controls to ensure compliance with laws and regulations. The Parish 4-H Foundation appears to have limited controls in place to ensure compliance with laws and regulations; however, we feel the following areas should be improved:
 - i. General Controls:
 - 1. The Parish 4-H Foundation should attempt to maintain adequate segregation of duties within the accounting functions in as much as the financial benefit outweighs the cost.
 - 2. A member of the Parish 4-H Foundation's Board should review the bank reconciliations monthly and the financial reports quarterly. This review should be documented with the member's signature and the date reviewed.
 - ii. Cash Receipts:
 - 1. The Parish 4-H Foundation should issue and retain copies of receipts for all money received. These receipts should be easily reconciled to the financial statements and bank statements.
 - iii. Cash Disbursements:
 - 1. The Parish 4-H Foundation should retain adequate supporting documents for all disbursements made by the Parish 4-H Foundation.
 - 2. All checks over \$500 should be signed by two board members.
- We reviewed copies of the minutes of the Parish 4-H Foundation's board meetings, the semi-annual financial statements, the Parish 4-H Foundation's form 990 or 990N, Articles of Incorporation, Foundation By-Laws, and Affiliation Agreement with the Louisiana 4-H Foundation (if available) to determine that these meetings and reports were made available to the appropriate individuals or organizations in a timely manor.

- i. The Parish 4-H Foundation Board did not meet on a regular basis, at least quarterly, to properly oversee the activities of the Parish 4-H Foundation.
- ii. As of the date of this report, the Parish 4-H Foundation did not file its annual form 990 or 990N as required by the Internal Revenue Service for all not-for-profit organizations; however, it appears that the prior year tax return was filed timely.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion, on the specified elements, accounts, or items. 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 information and use of the specified users listed above and is not intended to be and should not be used by anyone other than those specified parties.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
August 6, 2014

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

* A Professional Accounting Corporation

Mr. Jeff Bush, Executive Director
Louisiana 4-H Foundation, Inc.
Baton Rouge, Louisiana

We have performed the procedures enumerated below, which were agreed to by the Louisiana 4-H Foundation, Inc., solely to assist you with respect to the Jefferson Parish 4-H Foundation, Inc.'s compliance with the Affiliation Agreement of the Louisiana 4-H Foundation, Inc. The Parish 4-H Foundation's management is responsible for the Parish 4-H Foundation's compliance with the Affiliation Agreement of the Louisiana 4-H Foundation, Inc. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in 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.

Our procedures and findings are as follows:

- We randomly selected certain disbursements to determine that the disbursements were made for operating and administrative expenses and were made in accordance with the Parish 4-H Foundation's policies.
 - i. Certain supporting invoices for expenses made by the Parish 4-H Foundation could not be located therefore; they may not have been made in accordance with Parish 4-H Foundation's policies. Of the expenses selected, those with supporting invoices appear to have been made in accordance with the Parish 4-H Foundation's policies.
- We obtained a list of all Parish 4-H Foundation officers and directors and scanned a detailed check listing as well as W-2's and 1099's (if applicable) to determine if any funds were distributed for salaries, compensation or other benefits to these individuals. We

noted no disbursements made to officers or directors that resembled salaries, compensation, or other benefits.

- We interviewed management and reviewed the Parish 4-H Foundation's policies and procedures to determine if the Parish 4-H Foundation has an adequate system of controls to ensure compliance with laws and regulations. The Parish 4-H Foundation appears to have limited controls in place to ensure compliance with laws and regulations; however, we feel the following areas should be improved:

i. General Controls:

1. A member of the Parish 4-H Foundation's Board does not review the bank reconciliations monthly and the financial reports quarterly. This review should be documented with the member's signature and the date reviewed.
2. The Parish 4-H Foundation should record all transaction in their computerized accounting system on a daily basis.

ii. Cash Receipts:

1. The Parish 4-H Foundation should issue and retain copies of receipts for all money received. These receipts should be easily reconciled to the financial statements and bank statements.

iii. Cash Disbursements:

1. The Parish 4-H Foundation should retain adequate supporting documents for all disbursements made by the Parish 4-H Foundation.
2. All information, including but not limited to date, vendor, amount and purpose should be completed on a check prior to being signed by the board.

- We reviewed copies of the minutes of the Parish 4-H Foundation's board meetings, the semi-annual financial statements, the Parish 4-H Foundation's form 990 or 990N, Articles of Incorporation, Foundation By-Laws, and Affiliation Agreement with the Louisiana 4-H Foundation (if available) to determine that these meetings and reports were made available to the appropriate individuals or organizations in a timely manor.

- i. As of the date of this report, the Parish 4-H Foundation did not file its annual form 990 or 990N as required by the Internal Revenue Service for all not-for-profit organizations; however, it appears that the prior year tax return was filed timely.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion, on the specified elements, accounts, or items. 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 information and use of the specified users listed above and is not intended to be and should not be used by anyone other than those specified parties.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
August 1, 2014

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Mr. Jeff Bush, Executive Director
Louisiana 4-H Foundation, Inc.
Baton Rouge, Louisiana

We have performed the procedures enumerated below, which were agreed to by the Louisiana 4-H Foundation, Inc., solely to assist you with respect to the Sabine Parish 4-H Foundation, Inc.'s compliance with the Affiliation Agreement of the Louisiana 4-H Foundation, Inc. The Parish 4-H Foundation's management is responsible for the Parish 4-H Foundation's compliance with the Affiliation Agreement of the Louisiana 4-H Foundation, Inc. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in 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.

Our procedures and findings are as follows:

- We randomly selected certain disbursements to determine that the disbursements were made for operating and administrative expenses and were made in accordance with the Parish 4-H Foundation's policies.
 - i. Several payments made by the Parish 4-H Foundation did not have supporting invoices; therefore; it may not have been made in accordance with Parish 4-H Foundation's policies. Of the expenses selected, those with supporting invoices appear to have been made in accordance with the Parish 4-H Foundation's policies.

- We obtained a list of all Parish 4-H Foundation officers and directors and scanned a detailed check listing as well as W-2's and 1099's (if applicable) to determine if any funds were distributed for salaries, compensation or other benefits to these individuals. We noted no disbursements made to officers or directors that resembled salaries, compensation, or other benefits.
- We interviewed management and reviewed the Parish 4-H Foundation's policies and procedures to determine if the Parish 4-H Foundation has an adequate system of controls to ensure compliance with laws and regulations. The Parish 4-H Foundation appears to have limited controls in place to ensure compliance with laws and regulations; however, we feel the following areas should be improved:
 - i. General Controls:
 - 1. The Parish 4-H Foundation should attempt to maintain adequate segregation of duties within the accounting functions in as much as the financial benefit outweighs the cost.
 - 2. A member of the Parish 4-H Foundation's Board should review the bank reconciliations monthly and the financial reports quarterly. This review should be documented with the member's signature and the date reviewed.
 - ii. Cash Receipts:
 - 1. The Parish 4-H Foundation should issue and retain copies of receipts for all money received. These receipts should be easily reconciled to the financial statements and bank statements.
 - iii. Cash Disbursements:
 - 1. The Parish 4-H Foundation should retain adequate supporting documents for all disbursements made by the Parish 4-H Foundation.
 - 2. The Parish 4-H Foundation should take steps to ensure that all disbursements are properly coded in the accounting system prior to producing any financial reports.

- We reviewed copies of the minutes of the Parish 4-H Foundation's board meetings, the semi-annual financial statements, the Parish 4-H Foundation's form 990 or 990N, Articles of Incorporation, Foundation By-Laws, and Affiliation Agreement with the Louisiana 4-H Foundation (if available) to determine that these meetings and reports were made available to the appropriate individuals or organizations in a timely manor.
 - i. The Parish 4-H Foundation Board did not meet on a regular basis, at least quarterly, to properly oversee the activities of the Parish 4-H Foundation.
 - ii. As of the date of this report, the Parish 4-H Foundation did not file its annual form 990 or 990N as required by the Internal Revenue Service for all not-for-profit organizations; however, it appears that the prior year tax return was filed timely.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion, on the specified elements, accounts, or items. 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 information and use of the specified users listed above and is not intended to be and should not be used by anyone other than those specified parties.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
August 5, 2014

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Directors
Louisiana 4-H Foundation, Inc.
Baton Rouge, Louisiana

We have performed the procedures enumerated below, which were agreed to by the Louisiana 4-H Foundation, Inc., solely to assist you with respect to the Louisiana 4-H Foundation, Inc.'s compliance with the Affiliation Agreement of the LSU System as of June 30, 2014. The Louisiana 4-H Foundation, Inc.'s management is responsible for its compliance with the Affiliation Agreement of the LSU System. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in 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.

Our procedures and findings are as follows:

- We inquired of management as to the existence of a written policy regarding the handling and resolution of audit findings, audit exceptions, and any misuse of funds.
 - i. Management stated that they have adopted a written policy regarding the handling and resolution of audit findings, audit exceptions, and any misuse of funds. We were provided a copy of the policy.
- We inquired of management as to the existence of policies governing all disbursements for administrative and operating expenses.
 - i. Management stated that they follow sound and prudent business practices that are in compliance with the Addendum to the Affiliation Agreement. The Foundation's policies are found in the "Financial Management Operating Procedures for Louisiana's 4-H Foundations" manual.

- We randomly selected certain disbursements of the Louisiana 4-H Foundation, Inc. to determine the following:
 - i. That no supplemental compensation or benefit has been paid directly to a University employee.
 - 1. No exceptions were noted.
 - ii. That all payments made to or on behalf of University employees for travel, moving, relocation, entertainment, educational benefits and other reimbursements have been approved by an appropriate individual.
 - 1. No exceptions were noted.
 - iii. All payments for moving and relocation expenses of University employees covered by PM 69 have been approved by the President.
 - 1. No exceptions were noted.
 - iv. There have been no payments made for expenses that are solely for the private benefit of a University employee.
 - 1. No exceptions were noted.
 - v. No fines, forfeitures or penalties of a University employee have been paid.
 - 1. No exceptions were noted.
 - vi. No gifts represented to be personally from a University employee have been made by the Affiliate nor has any University employee been reimbursed for the purchase of such a gift.
 - 1. No exceptions were noted.
 - vii. No political contributions which are prohibited by applicable Internal Revenue Service Regulations or state law have been made or reimbursed.
 - 1. No exceptions were noted.

viii. No payments have been made for any expense or reimbursement which would create a reasonable conclusion on behalf of the Affiliate that the benefit to the individual University employee outweighs the benefit to the University.

1. No exceptions were noted.

ix. No payments have been made for any expense or reimbursement which would create a reasonable conclusion on behalf of the Affiliate that the amount is extravagant or lavish beyond the appropriate University purpose.

1. No exceptions were noted.

x. No funds have been disbursed in connection with contracts between the Affiliate and a University employee unless an exception has been approved by the president.

1. No exceptions were noted.

xi. All other payments to or on behalf of University employees have been made in accordance with specific approval of the President or written joint amendment or clarification of the Addendum.

1. No exceptions were noted.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion, on the specified elements, accounts, or items. 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 information and use of the specified users listed above and is not intended to be and should not be used by anyone other than those specified parties.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
August 12, 2014