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**JEFFERSON CONVENTION AND VISITORS BUREAU, INC.**

**ANNUAL FINANCIAL STATEMENT  
DECEMBER 31, 2008**

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 5/13/09

**JEFFERSON CONVENTION AND VISITORS BUREAU, INC.**

**Annual Financial Statements  
As of and for the Year Ended December 31, 2008**

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**VINCENT R. PROTTI, JR., L.L.C.**  
*Certified Public Accountant*

Member American Institute Of Certified Public Accountants  
The Society of Louisiana CPA's  
Government Finance Officers Association

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**INDEPENDENT AUDITORS' REPORT**

Board Members of  
Jefferson Convention And Visitors Bureau, Inc:

I have audited the accompanying statements of financial position of Jefferson Convention and Visitors Bureau, Inc. (a nonprofit organization) as of December 31, 2008, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

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

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jefferson Convention and Visitors Bureau, Inc. as of December 31, 2008, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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527 Huey P. Long Avenue  
Gretna, LA 70053

In accordance with *Government Auditing Standards*, I have also issued my report dated March 31, 2009, on my consideration of Jefferson Convention and Visitors Bureau's internal control over financial reporting and on my 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 my 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 my audit.

My audit was conducted for the purpose of forming an opinion on the basic financial statements of Jefferson Convention and Visitors Bureau, Inc. taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Vernon A. R. P. [Signature] J. L. L., CPA

Gretna, Louisiana  
March 19, 2009

JEFFERSON CONVENTION AND VISITORS BUREAU, INC.  
STATEMENT OF FINANCIAL POSITION  
December 31, 2008

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$ 931,582	
Prepaid Assets	68,266	
Accounts Receivable	<u>74,445</u>	

Total Current Assets \$1,074,293

FIXED ASSETS

Equipment	23,610	
Computer Software	43,000	
Leasehold Improvements	3,154	
Less: Accumulated Depreciation	<u>(53,887)</u>	<u>15,877</u>

TOTAL ASSETS \$1,090,170

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts Payable	25,703	
Deferred Revenue	<u>7,900</u>	

Total Current Liabilities 33,603

NET ASSETS

Unrestricted Net Assets	<u>1,056,567</u>	
Total Net Assets		<u>1,056,567</u>

TOTAL LIABILITIES AND NET ASSETS \$1,090,170

The accompanying notes are an integral part of this statement.

**JEFFERSON CONVENTION & VISITORS BUREAU, INC.**  
**STATEMENT OF ACTIVITIES**  
**For the year ended December 31, 2008**

REVENUE

Occupancy Tax Revenue	\$ 993,768	
Federal Grant	613,252	
Membership Participation	39,850	
Interest	8,498	
Other Income	<u>3,240</u>	\$ 1,658,608

OPERATING EXPENSES

Depreciation	16,938	
Health Insurance	10,007	
Insurance	13,947	
Marketing and Promotion-Collateral Materials	18,326	
Marketing and Promotion-Cooperative Programs	58,244	
Marketing and Promotion-Internet Advertising	67,838	
Marketing and Promotion-Media/Brand Mgmt.	623,252	
Marketing and Promotion-Trade Shows	36,774	
Marketing and Promotion-Other	61,959	
Miscellaneous Expenses	1,102	
Office Equipment-Services	3,792	
Office Equipment-Rental	4,336	
Office Supplies	13,118	
Payroll Tax	20,399	
Postage	613	
Printing and Reproduction	2,101	
Professional/Technical	26,410	
Rent	6,560	
Retirement	7,113	
Salaries	256,660	
Telephone	7,366	
Travel/Trade Show	<u>22,260</u>	<u>1,279,115</u>

Change in unrestricted net assets before other revenues and expenses	379,493
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OTHER REVENUES AND (EXPENSES)

Jefferson Parish Tourism Grant	250,000	
Family Gras Sponsorship Revenues	213,500	
Family Gras Food Vendor Revenues	10,280	
Family Gras Expenses	<u>(475,453)</u>	<u>(1,673)</u>

Changes in unrestricted net assets	377,820
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UNRESTRICTED NET ASSETS, JANUARY 1, 2008	<u>678,747</u>
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UNRESTRICTED NET ASSETS, DECEMBER 31, 2008	\$ <u><u>1,056,567</u></u>
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The accompanying notes are an integral part of this statement.

**JEFFERSON CONVENTION & VISITORS BUREAU, INC.**  
**STATEMENT OF CASH FLOWS**  
**For the Year Ended December 31, 2008**

CASH FLOWS FROM OPERATING ACTIVITIES:

Net Income (Loss)		\$ 377,820
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation	16,938	
Change in Current Assets and Liabilities:		
Decrease (Increase) in Accounts Receivable	87,403	
Decrease (Increase) in Prepaid Assets	62,374	
Increase (Decrease) in Deferred Revenue	(1,350)	
Increase (Decrease) in Accounts Payable	<u>(197,710)</u>	
Increase (Decrease) in Net Assets		<u>(32,345)</u>
NET CASH PROVIDED (USED) IN OPERATING ACTIVITIES		<u>345,475</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		345,475
CASH AND CASH EQUIVALENTS, JANUARY 1, 2008		<u>586,107</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31, 2008		<u>\$ 931,582</u>

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:

Cash Paid During the Year For:

Interest		\$ 0
Income Taxes		\$ 0

The accompanying notes are an integral part of this statement.

**JEFFERSON CONVENTION AND VISITORS BUREAU, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2008**

NOTE A - NATURE OF OPERATIONS

JEFFERSON CONVENTION AND VISITORS BUREAU, INC. is a nonprofit corporation organized in June of 2000 to actively support the growth of Jefferson Parish tourism through promotion and marketing of its natural and developed resources for the economic benefit of the community and the enjoyment of residents and visitors.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements follows to enhance the usefulness of the financial statements to the reader.

1. Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis which is by generally accepted accounting principles.

2. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Jefferson Convention and Visitors Bureau, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

3. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Corporation considers any highly liquid debt instruments purchased with a maturity of six months or less to be cash equivalents. The statement of cash flows is presented using the indirect method as permitted by APB 95.

4. Accounts Receivable

Accounts Receivable consisted of a hotel occupancy tax collected by the Jefferson Parish Sheriff's office in the amount of \$ 74,445.

**JEFFERSON CONVENTION & VISITORS BUREAU, INC.**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**December 31, 2008**

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

5. Fixed Assets

Machinery, equipment, computer software and leasehold improvements are stated at cost. Depreciation is provided using accelerated methods as allowed for income tax purposes which is not materially different from their estimated useful lives.

	<u>Years</u>
Machinery, equipment and furniture	3-7
Leasehold Improvements	15

Depreciation expense for the year ended December 31, 2008 is \$16,938.

6. Income Taxes

The Corporation is a nonprofit organization as described in section 501(C)(6) of the Internal Revenue Code and is exempt from federal and state income taxes.

7. Deferred Revenue

Deferred Revenue consist of membership participation dues and fees collected and deemed receivable during 2008 for the subsequent year. Deferred Revenue at December 31, 2008 is \$ 7,900.

8. Revenues

Jefferson Convention and Visitors Bureau, Inc. receives substantially all of its revenues either from Jefferson Parish through a Cooperative Endeavor Agreement based on the hotel occupancy tax or from the Louisiana Department of Culture, Recreation & Tourism.

9. Advertising

The Corporation expenses advertising costs as they are incurred. At December 31, 2008, advertising expense which is composed of marketing and promotions was \$ 888,652.

**JEFFERSON CONVENTION & VISITORS BUREAU, INC.**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**December 31, 2008**

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

10. Estimates

The preparation of these financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE C - DEFINED CONTRIBUTION PLAN

Jefferson Convention and Visitors Bureau, Inc. established a defined contribution plan (Simple IRA) in 2007. The eligibility requirements for the plan require employees to earn at least \$5,000 per year during any two preceding years and who are expected to earn at least \$5,000 in the current year. Employer contributions are based on a dollar for dollar match of employees contribution amount with a maximum amount not to exceed 3% of gross salary. Employer and employee contributions are fully vested immediately upon satisfying eligibility requirements. The pension expense for the year ended December 31, 2008 was \$7,113.

NOTE D - ECONOMIC DEPENDENCY

Jefferson Convention and Visitors Bureau, Inc.'s existence is dependent on the Jefferson Parish Council to renew annually their revenue from the Cooperative Endeavor Agreement which transfers a portion of the net proceeds of the hotel occupancy tax.

**VINCENT R. PROTTI, JR., L.L.C.**  
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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*

Board Members of  
Jefferson Convention And Visitors Bureau, Inc.

I have audited the financial statements of Jefferson Convention and Visitors Bureau, Inc. (a nonprofit organization) as of and for the year ended December 31, 2008, and have issued my report thereon dated March 19, 2009. I conducted my 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 my audit, I considered Jefferson Convention and Visitors Bureau, Inc.'s internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the organization's internal control over financial reporting.

A *control deficiency* exist 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by organization's internal control.

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

### Compliance

As part of obtaining reasonable assurance about whether Jefferson Convention and Visitors Bureau's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the audit committee, management, Legislative Auditor, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Vincent R. Priddy, LLC, CPA

March 19, 2009

**VINCENT R. PROTTI, JR., L.L.C.**  
*Certified Public Accountant*

Member American Institute Of Certified Public Accountants  
The Society of Louisiana CPA's  
Government Finance Officers Association

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR  
A-133

Board Members of  
Jefferson Convention and Visitors Bureau, Inc.

Compliance

I have audited the compliance of Jefferson Convention and Visitors Bureau, Inc. (a nonprofit organization) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 2008. Jefferson Convention and Visitors Bureau, Inc.'s major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of Jefferson Convention and Visitors Bureau, Inc. My responsibility is to express an opinion on Jefferson Convention and Visitors Bureau, Inc.'s compliance based on my audit.

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Jefferson Convention and Visitors Bureau, Inc.'s compliance with those requirements and performing as we considered necessary in the circumstances. I believe that my audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Jefferson Convention and Visitors Bureau, Inc.'s compliance with those requirements.

In my opinion, Jefferson Convention and Visitors Bureau, Inc. complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2008.

### Internal Control Over Compliance

The management of Jefferson Convention and Visitors Bureau, Inc. is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing my audit, I considered Jefferson Convention and Visitors Bureau, Inc.'s internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of Jefferson Convention and Visitors Bureau, Inc.'s internal control over compliance.

A *control deficiency* is an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

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

This report is intended solely for the information and use of audit committee, management, legislative auditor and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Vincent R. Pratt, LLC, LPA  
March 19, 2009

**JEFFERSON CONVENTION & VISITORS BUREAU, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**December 31, 2008**

<u>Federal Grantor/Pass-through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
Pass-through programs from: Louisiana Dept. of Culture, Recreation & Tourism	14.228	<u>\$ 613,252</u>
 Total pass-through programs		<u>\$ 613,252</u>

See accompanying notes to schedule of expenditures of federal awards.