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**GREATER NEW ORLEANS  
SPORTS FOUNDATION**

**FINANCIAL AND COMPLIANCE AUDIT  
TOGETHER WITH  
INDEPENDENT AUDITORS' REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2009**

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 8/25/10

***Sean M. Bruno***  
**Certified Public Accountants**

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**Sean M. Bruno**  
**Certified Public Accountants**

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Member  
American Institute of  
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**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
**Greater New Orleans Sports Foundation**  
New Orleans, Louisiana

I have audited the accompanying statement of financial position of the **Greater New Orleans Sports Foundation** (a non-profit organization) as of December 31, 2009 and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the management of the **Greater New Orleans Sports Foundation**. 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 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 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.

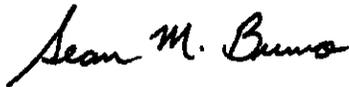
In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the **Greater New Orleans Sports Foundation** as of December 31, 2009, and results of operations and the changes in its net assets, and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

**INDEPENDENT AUDITORS' REPORT**  
**(CONTINUED)**

To the Board of Directors  
**Greater New Orleans Sports Foundation**  
New Orleans, Louisiana  
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In accordance with Government Auditing Standards, I have also issued my report dated April 16, 2010 on my consideration of the **Greater New Orleans Sports Foundation's** internal control over financial reporting and 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, 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 taken as a whole. The supplemental information included in the report (shown on page 13) is presented for the purpose of additional analysis and is not a required part of the financial statements of the **Greater New Orleans Sports Foundation**. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in my opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.



**SEAN M. BRUNO**  
**CERTIFIED PUBLIC ACCOUNTANTS**

April 16, 2010

***Sean M. Bruno***  
**Certified Public Accountants**

**GREATER NEW ORLEANS SPORTS FOUNDATION**  
**STATEMENT OF FINANCIAL POSITION**  
**AS OF DECEMBER 31, 2009**

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**ASSETS**

Cash and cash equivalents (NOTE 2)	\$ 249,779
Receivables (NOTE 4)	877,211
Due from affiliate (NOTE 8)	95,700
Prepaid expense	128,530
Leasehold improvements, net of accumulated amortization of \$24,516 (NOTES 2 and 3)	52,902
Office furniture and equipment, net of accumulated depreciation of \$5,879 (NOTES 2 and 3)	<u>22,707</u>
Total assets	\$ <u>1,426,829</u>

**LIABILITIES AND NET ASSETS**

Liabilities:	
Accounts payable	\$ 59,594
Due to affiliate (NOTE 8)	122,400
Deferred revenue	<u>10,130</u>
Total liabilities	<u>192,124</u>
Net Assets (NOTE 2):	
Unrestricted net assets	<u>1,234,705</u>
Total net assets	<u>1,234,705</u>
Total liabilities and net assets	\$ <u>1,426,829</u>

*The accompanying notes are an integral part of these financial statements.*

**GREATER NEW ORLEANS SPORTS FOUNDATION**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

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Revenues and Support

Grants and contracts (NOTE 9)	\$ 1,934,616
Management fees	158,900
Reimbursed ticket purchases	3,310
Membership revenues	197,750
Golf tournament	38,197
Contributions	37,248
Interest income	1,760
Sponsorships	20,000
Other revenue	<u>3,978</u>

Total revenues and other support 2,395,759

Expenses

Support Services	316,563
Program Services	<u>1,845,352</u>

Total expenses 2,161,915

Change in net assets 233,844

Net assets, beginning of year 1,000,861

Net assets, end of year \$ 1,234,705

The accompanying notes are an integral part of the financial statements.

**GREATER NEW ORLEANS SPORTS FOUNDATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

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Cash Flows From Operating Activities

Change in net assets	\$ 233,844
Adjustments to reconcile changes in net assets to net cash used in operating activities:	
Depreciation	4,261
Amortization	15,484
Decrease in due from affiliate	27,958
Increase in accounts receivable	(525,298)
Increase in prepaid expense	(49,914)
Decrease in accounts payable	(70,906)
Increase in due to affiliate	4,540
Decrease in deferred revenue	<u>(14,692)</u>
Net cash used in operating activities	<u>(374,723)</u>

Cash Flows From Investing Activities

Purchase of fixed assets	<u>(9,171)</u>
Net cash used in investing activities	<u>(9,171)</u>
Net decrease in cash and cash equivalents	(383,894)
Cash and cash equivalents, January 1, 2009	<u>633,673</u>
Cash and cash equivalents, December 31, 2009	\$ <u>249,779</u>

The accompanying notes are an integral part of these financial statements.

**GREATER NEW ORLEANS SPORTS FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 1 - ORGANIZATION:**

The Greater New Orleans Sports Foundation (the Foundation) was formed on August 2, 1988 as a non-profit organization to bring together by association, sports minded people who will devote a portion of their time, energy and financial support to the development of sport tourism and related industries in the City of New Orleans and surrounding regions. Also, the Foundation was organized to provide for the exchange among members of the organization such information, ideas and support necessary to attract and assist in the coordination and production of sports events in the New Orleans area.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

**Principles of Accounting**

The financial statements and the supplemental schedule are prepared in accordance with generally accepted accounting principles and are prepared on the accrual basis. The preparation of financial statements in conformity with generally accepted accounting principles 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 amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Basis of Reporting**

The Foundation has adopted the provisions of Statement of Financial Accounting Standards (SFAS) No. 116, "Account for Contributions Received and Contributions Made," and SFAS No. 117 "Financial Statements of Not-for-Profit Organizations," which is codified in FASB ASC Topic 958 and reports its financial position and activities according to three classes of net assets according to externally (donor) imposed restrictions.

**GREATER NEW ORLEANS SPORTS FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued:

Basis of Reporting, Continued

A description of the three (3) net asset categories is as follows:

Unrestricted net assets include funds not subject to donor-imposed stipulations. The revenues received and expenses incurred in conducting the mission of the Foundation are included in this category. The Foundation has determined that any donor-imposed restrictions for current or developing programs and activities are generally met within the operating cycle of the Foundation, and therefore, the Foundation's policy is to record these net assets as unrestricted.

Temporarily restricted net assets include realized gains and losses, investment income and gifts, appropriations and contributions for which donor-imposed restrictions have not been met.

Permanently restricted net assets are contributions which are required by the donor-imposed restriction to be invested in perpetuity and only the income be made available for program operations in accordance with the donor restrictions. Such income is reflected in temporarily restricted net assets until utilized for donor-imposed restrictions.

At December 31, 2009, the Foundation did not have any temporarily or permanently restricted net assets.

Fixed Assets

Fixed assets are stated at cost, if purchased, or at fair market value at the date of the gift, if donated. Depreciation on office furniture and equipment is provided using the straight-line method over the estimated useful life of the equipment, which is 5 years. Amortization on leasehold improvements is provided using the straight-line method over the remaining period of the lease.

**GREATER NEW ORLEANS SPORTS FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued:

Cash and Cash Equivalents

Cash consists solely of demand deposits and a money market account that is secured by federal deposit insurance. All highly liquid debt instruments purchased with an original maturity of three (3) months or less are considered to be cash equivalents for purposes of the statement of cash flows.

Fair Value

The Foundation adopted certain provisions of Statement of Financial Accounting Standards (SFAS) No. 157, Fair Value Measurements which are codified in FASB ASC Topic 820. ASC Topic 820 refines the definition of fair value, established specific requirements as well as guidelines for a consistent framework to measure fair value, and expands disclosure requirements about fair value measurements. Further ASC Topic 820 require the Foundation to maximize the use of observable market inputs, minimize the use of unobservable market inputs, and disclose in the form of an outlined hierarchy, the details of such fair value measurements.

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 program and supporting services benefitted.

**GREATER NEW ORLEANS SPORTS FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

**NOTE 3 - FIXED ASSETS:**

Changes in office furniture and equipment and leasehold improvements during the year ended December 31, 2009 were as follows:

<u>Description</u>	<u>Balance January 1, 2009</u>	<u>Additions (Deletions)</u>	<u>Accumulated Depreciation/ Amortization</u>	<u>Balance December 31, 2009</u>
Office furniture and equipment	\$19,415	\$ 9,171	\$ (5,879)	\$ 22,707
Leasehold improvements	\$ 77,418	\$ -0-	\$ (24,516)	\$ 52,902
Total	<u>\$ 96,833</u>	<u>\$ 9,171</u>	<u>\$ (30,395)</u>	<u>\$ 75,609</u>

Depreciation and amortization expenses for the year ended December 31, 2009 totaled \$ 4,261 and \$15,484 respectively.

**NOTE 4 - RECEIVABLES:**

For the year ended December 31, 2009, amounts included in receivables were funds due to the Foundation from state grants and contracts, as well as funds due from other sources. Receivables for the year ended December 31, 2009 totaled \$877,211 as follows:

State of Louisiana -	
Department of Culture, Recreation & Tourism	\$ 398,703
Department of the Treasury	466,549
Other Receivables	<u>11,959</u>
Total Receivables	<u>\$ 877,211</u>

**GREATER NEW ORLEANS SPORTS FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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**NOTE 5 - INCOME TAXES:**

The Foundation is exempt from corporate income taxes under Section 501(c)(4) of the Internal Revenue Code.

**NOTE 6 - CONCENTRATION OF CREDIT RISK:**

At December 31, 2009, the Foundation had cash and cash equivalents in the bank totaling \$249,779 as follows:

Checking Account	\$ 60,755
Interest-bearing demand deposits	91,357
Money market account	97,317
Other	<u>350</u>
 Total	 \$ <u>249,779</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 2009, the Foundation has \$249,779 in deposits. These deposits are secured from risk by \$250,000 of federal deposit insurance. As of December 31, 2009, the Foundation was within FDIC limits.

**NOTE 7 - FAIR VALUE OF FINANCIAL INSTRUMENTS:**

The estimated fair values of all significant financial amounts have been determined by the Foundation using available market information and appropriate valuation methodologies. The Foundation considers the carrying amounts of cash and cash equivalents, and accounts receivable to be the fair value.

**GREATER NEW ORLEANS SPORTS FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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**NOTE 8 - RELATED PARTY TRANSACTION /  
DUE TO / DUE FROM AFFILIATE:**

**NEW ORLEANS BOWL**

Certain board members of the **Foundation** are also board members of the New Orleans Bowl, Inc. The **Foundation** has contracted with the New Orleans Bowl (a non-profit corporation), to manage and handle the administrative functions of hosting the New Orleans Bowl. The **Foundation** provides office space, meeting space, utilities, and the use of all office furniture and equipment, as well as providing any and all personnel needed to host the New Orleans Bowl. The **Foundation** is also due certain expense reimbursables from the New Orleans Bowl in conjunction with game management. The total amount due from the New Orleans Bowl at December 31, 2009 totaled \$95,700. The New Orleans Bowl also provided the **Foundation** with tickets valued at \$158,900 for services rendered to the New Orleans Bowl for game management. In addition to the tickets provided in conjunction with game management, the **Foundation** also purchased New Orleans Bowl tickets for their members valued at \$122,400. The total balance remains outstanding at year end December 31, 2009 and is recorded as amounts due to affiliate.

**NOTE 9 - GRANTS AND CONTRACTS:**

The **Foundation** is the recipient of grants and contracts from various sources in the amount of \$1,934,616. The grants and contracts were primarily utilized to support the activities of the Greater New Orleans Sports Foundation.

**GREATER NEW ORLEANS SPORTS FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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NOTE 9 - GRANTS AND CONTRACTS, CONTINUED:

The Foundation was primarily funded through the following grants and contracts for the year ended December 31, 2009.

<u>Funding Source</u>	<u>Revenue</u>
Grant revenues:	
State of Louisiana Department of Culture, Recreation, and Tourism	\$ <u>649,560</u>
Total grant revenues	<u>649,560</u>
Contract revenues:	
State of Louisiana Department of the Treasury – New Orleans Fairgrounds Slots Tax	<u>1,285,056</u>
Total contact revenues	<u>1,285,056</u>
Total	<u>\$1,934,616</u>

NOTE 10 - CONTINGENCY:

The Foundation is the recipient of grant and contracts from various sources. The grants are governed by various guidelines, and regulations. The administration of the programs and activities funded by the grants and contracts are under the control and administration of the Foundation and are subject to audit and/or review by the applicable funding sources. Any funds found not to be properly spent in accordance with the terms, conditions, and regulations of the funding source may be subject to recapture.

**SUPPLEMENTAL INFORMATION**

**GREATER NEW ORLEANS SPORTS FOUNDATION**  
**SCHEDULE OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

	<u>Support</u> <u>Services</u>	<u>Program</u> <u>Services</u>	<u>Total</u> <u>Expenses</u>
Salaries and related benefits	\$ 144,174	\$ 656,795	\$ 800,969
Commissions	21,885	-	21,885
Insurance	15,381	-	15,381
Rent	3,594	10,783	14,377
Repairs and maintenance	12,020	-	12,020
Telephone	9,566	13,728	23,294
Internet services	6,599	-	6,599
Supplies	6,600	-	6,600
Computer	4,014	-	4,014
Postage	2,998	-	2,998
Transportation	-	18,489	18,489
Bank charges, fees, and interest	5,468	-	5,468
Miscellaneous	2,520	-	2,520
Printing	2,632	-	2,632
Professional services	43,933	-	43,933
Depreciation	1,065	3,196	4,261
Amortization	3,871	11,613	15,484
Meetings	5,658	1,991	7,649
Automobile lease payments	9,006	-	9,006
Travel	2,636	43,279	45,915
Awards	5,768	-	5,768
Dues/Subscriptions	6,186	-	6,186
Donations	-	14,892	14,892
New Orlean Bowl member tickets	-	281,300	281,300
MLK Basketball tournament	-	47,561	47,561
Alario Golf tournament	-	54,447	54,447
Sporting event rights fees	989	118,932	119,921
Sporting event expenses	-	33,148	33,148
Economic impact studies	-	21,625	21,625
2009 TEAMS Conference	-	209,649	209,649
Super Bowl bid	-	303,924	303,924
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Total	<u>\$ 316,563</u>	<u>\$ 1,845,352</u>	<u>\$ 2,161,915</u>

See Accompanying Independent Auditors' Report.

**Sean M. Bruno**  
**Certified Public Accountants**

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

To the Board of Directors  
**Greater New Orleans Sports Foundation**  
New Orleans, Louisiana

I have audited the financial statements of the **Greater New Orleans Sports Foundation (the Foundation)** as of and for the year ended December 31, 2009, and have issued my report thereon dated April 16, 2010. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

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

INDEPENDENT AUDITORS' REPORT ON  
INTERNAL CONTROL AND COMPLIANCE AND OTHER  
MATTERS OVER FINANCIAL REPORTING BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS  
(CONTINUED)

A control deficiency 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 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 entity's financial statements 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 a material misstatement of the financial statements will not be prevented or detected by the entity'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 weakness. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Foundation's financial statements are free of material misstatement, I 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 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.

INDEPENDENT AUDITORS' REPORT ON  
INTERNAL CONTROL AND COMPLIANCE AND OTHER  
MATTERS OVER FINANCIAL REPORTING BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS  
(CONTINUED)

This report is intended solely for the information and use of management, others within the entity, and the Board of Directors, and the State of Louisiana 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.

*Sean M. Bruno*

SEAN M. BRUNO  
CERTIFIED PUBLIC ACCOUNTANTS

April 16, 2010

***Sean M. Bruno***  
**Certified Public Accountants**

**GREATER NEW ORLEANS SPORTS FOUNDATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

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I have audited the financial statements of **Greater New Orleans Sports Foundation** as of and for the year ended December 31, 2009, and have issued my report thereon dated April 16, 2010. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. My audit of the financial statements as of December 31, 2009 resulted in an unqualified opinion.

**Section I - Summary of Auditors' Reports:**

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control	
Material Weaknesses/Significant deficiencies	<b>No</b>

Compliance	
Compliance Material to Financial Statements	<b>No</b>

b. Federal Awards Not Applicable

c. Identification of Major Programs Not Applicable

**Section II - Findings Relating to the Financial Statements Reported  
in Accordance with *Government Auditing Standards*:**

None

**Section III - Findings and Questioned Costs Related to Federal Awards:**

Not applicable