

Monroe Chamber of Commerce, Inc.

Financial Statements
As of and for the Years Ended
December 31, 2010 and 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 9/7/11

Monroe Chamber of Commerce, Inc.

Financial Statements As of and for the Years Ended December 31, 2010 and 2009

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LUFFEY, HUFFMAN, RAGSDALE & SOIGNIER

(A PROFESSIONAL ACCOUNTING CORPORATION)
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

Board of Directors Monroe Chamber of Commerce, Inc.

We have audited the accompanying statements of financial position of the **Monroe Chamber of Commerce, Inc.** (the Chamber) as of December 31, 2010 and 2009, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Chamber's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Chamber as of December 31, 2010 and 2009, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2011, on our consideration of the Chamber'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 *Governmental Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Luffey, Huffman, Ragsdale, & Soignier

(A Professional Accounting Corporation)

June 30, 2011

MONROE CHAMBER OF COMMERCE, INC.
STATEMENTS OF FINANCIAL POSITION

	December 31,	
	2010	2009
ASSETS		
Current Assets		
Cash	\$ 64,129	\$ 37,592
Receivables		
Membership Dues	6,880	14,990
Total Resource Development Campaign	700	6,900
Governmental Contract	-	31,500
Other	8,980	10,550
Total Current Assets	80,689	101,532
Property and Equipment		
Furniture, Fixtures and Equipment	195,764	213,389
Less: Accumulated Depreciation	(175,503)	(174,135)
Net Property and Equipment	20,261	39,254
Other Assets		
Investment in Milner Building, L.L.C. (Note 2)	60,000	100,000
Prepaid Expenses	9,477	6,004
Total Other Assets	69,477	106,004
TOTAL ASSETS	\$ 170,427	\$ 246,790

The accompanying notes are an integral part of these statements.

	December 31,	
	2010	2009
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts Payable	\$ 8,603	\$ 50,428
Accrued Payables	4,275	2,373
Line of Credit (Note 3)	-	25,029
Capital Lease Obligations - Current Portion (Note 4)	1,343	3,896
Note Payable - Current Portion (Note 5)	-	3,175
Refundable Advances	6,550	8,517
Deferred Revenue:		
Membership Dues	84,698	111,114
Governmental Contracts	14,167	14,167
Total Current Liabilities	119,636	218,699
Long-Term Liabilities		
Capital Lease Obligations (Note 4)	-	1,343
Total Long-Term Liabilities	-	1,343
Total Liabilities	119,636	220,042
Net Assets		
Unrestricted	50,791	26,748
Total Net Assets	50,791	26,748
TOTAL LIABILITIES AND NET ASSETS	\$ 170,427	\$ 246,790

MONROE CHAMBER OF COMMERCE, INC.
STATEMENTS OF ACTIVITIES

	For the Years Ended	
	December 31,	
	2010	2009
Changes in Unrestricted Net Assets		
Support		
Membership Dues	\$ 253,671	\$ 263,929
Administrative	5,680	4,565
Communications	41,850	44,195
Workforce Development	104,899	109,741
Government Relations/Affairs	307,547	302,943
Leadership	31,165	24,928
Annual Banquet	53,520	51,304
Investment Income	7,000	7,019
Fund Raising	105,280	94,300
Special Item (Note 12)	20,000	-
Total Unrestricted Support	930,612	902,924
Expenses		
Program Services		
Workforce Development Division	74,766	56,517
Government Relations/Affairs Division	295,830	275,116
Membership Services Division	94,821	131,853
Total Program Services Expenses	465,417	463,486
Supporting Services		
Management and General (Note 6)	302,687	296,481
Fund Raising (Note 6)	80,957	77,398
Membership Development (Note 6)	57,508	39,339
Total Supporting Services Expenses	441,152	413,218
Total Expenses	906,569	876,704
Increase (Decrease) in Net Assets	24,043	26,220
Net Assets at Beginning of Year	26,748	528
NET ASSETS AT END OF YEAR	\$ 50,791	\$ 26,748

The accompanying notes are an integral part of these statements.

MONROE CHAMBER OF COMMERCE, INC.
STATEMENTS OF CASH FLOWS

	For the Years Ended	
	December 31,	
	2010	2009
Cash Flows from Operating Activities		
Increase (Decrease) in Net Assets	\$ 24,043	\$ 26,220
Adjustments to Reconcile Decrease in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	18,993	23,527
Impairment of an Asset	40,000	-
Changes in Assets and Liabilities:		
Membership Dues Receivable	8,110	70
Total Resource Development Campaign	6,200	19,505
Governmental Contract	31,500	(31,500)
Other Receivables	1,570	1,445
Prepaid and Other Assets	(3,473)	2,077
Accounts Payable	(41,825)	(34,931)
Accrued Payables	1,902	(2,427)
Refundable Advances	(1,967)	(13,133)
Deferred Revenue - Membership Dues	(26,416)	(15,554)
Deferred Revenue - Governmental Contracts	-	11,667
Total Adjustments	34,594	(39,254)
Net Cash Provided (Used) by Operating Activities	58,637	(13,034)
Cash Flows from Financing Activities		
Principal Paid on Capital Lease	(3,896)	(5,357)
Principal Received (Paid) on Line of Credit	(25,029)	25,029
Principal Paid on Note Payable	(3,175)	(20,362)
Net Cash Used by Financing Activities	(32,100)	(690)
Cash Flows from Investing Activities		
Acquisition of Property and Equipment (Net)	-	(895)
Net Cash Used by Investing Activities	-	(895)
Net Increase (Decrease) in Cash	26,537	(14,619)
Cash at Beginning of Year	37,592	52,211
Cash at End of Year	\$ 64,129	\$ 37,592
Supplemental Disclosures:		
Cash Paid During the Year for:		
Interest	\$ 1,197	\$ 4,817
Income Taxes	\$ -	\$ 2,760
Non-Cash Investing Activities		
Impairment of an Asset	\$ 40,000	\$ -

The accompanying notes are an integral part of these statements.

MONROE CHAMBER OF COMMERCE, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

Note 1 - Summary of Significant Accounting Policies

Organization

The Monroe Chamber of Commerce, Inc. (the Chamber) was incorporated September 1947 under the laws of the State of Louisiana. The Articles of Incorporation were restated in December 2010, and among other things, stated that the objectives and purposes of the organization are “to advance and protect the general welfare and prosperity of Ouachita Parish and the surrounding area so that the business community and its citizens shall prosper. All appropriate and necessary means of promotion shall be provided and particular attention shall be given to the economic, financial, commercial, agricultural, industrial, governmental, educational, and civic activities of the region. The Chamber shall observe all laws applicable to a nonprofit organization as defined in Section 501(c)(6) of the Internal Revenue Code or the corresponding provision of any such future law.”

Basis of Presentation

The Chamber has adopted Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958-605-25, “Not For Profit Entities-Revenue Recognition”, and FASB ASC 958-205, “Not For Profit Entities-Presentation of Financial Statements”.

FASB ASC 958-205 establishes standards for financial reporting by not-for-profit organizations and requires that resources be classified for accounting and reporting purposes into three net asset categories according to externally (donor) imposed restrictions. FASB ASC 958-605-25 requires that unconditional promises to give (pledges) be recorded as receivables and revenues and requires the organization to distinguish between contributions received for each net asset category in accordance with donor-imposed restrictions. A description of the three net asset categories follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets – Net assets subject to donor-imposed stipulations that may or will be met by either actions of the Chamber and/or the passage of time. As of December 31, 2010 and 2009, the Chamber has no temporarily restricted assets.

Permanently Restricted Net Assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Chamber. Generally, the donors of these assets permit the Chamber to use all or part of the income earned on related investments for general or specific purposes. As of December 31, 2010 and 2009, the Chamber has no permanently restricted net assets.

MONROE CHAMBER OF COMMERCE, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

Basis of Accounting

The financial statements of the Chamber have been prepared on the accrual basis. The significant accounting policies followed by the Chamber are described below to enhance the usefulness of the financial statements to the reader.

Cash and Cash Equivalents

The Chamber considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Property and Equipment

Property and equipment are recorded at cost. Expenditures that are greater than \$500 for additions, major renewals and betterments are capitalized. All other expenditures are expensed as incurred. The cost of assets retired or otherwise removed and the related accumulated depreciation are eliminated from the accounts in the year of removal, with the resulting gain or loss credited or charged to operations. Depreciation is recorded on the straight-line basis over the estimated useful lives of the assets ranging from three years for computer equipment to ten years for office furniture and equipment.

Deferred Revenue and Refundable Advances

Membership dues are billed on a monthly basis, coinciding with the month the member joined the Chamber. Membership revenue is deferred and recognized in the statement of activities on a straight-line basis over a one year period. Membership receivables are written off as uncollectable when they become 120 days past due.

Refundable advances consist of payments received during the Total Resource Development Campaign for events or programs to be carried out in the following year. These refundable advances are recognized as income in the subsequent year either on a straight line basis or as the individual event occurs.

Compensated Absences

Employees receive one week of vacation after six months, two weeks after one year, three weeks after five years, and four weeks after ten years of service. Vacation time is forfeited unless taken by year-end. Five days of sick leave are allowed annually. Employees are not compensated for any unused leave upon termination. Accordingly, no accrual for unpaid leave time is included in the financial statements.

MONROE CHAMBER OF COMMERCE, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

Functional Allocation of Expenses

Program services expenses are those directly related to the purposes for which the Chamber exists. Supporting services expenses reflect other expenses incurred in operating the programs, fund raising, and membership development. Various operating expenses not directly connected with a specific function or program service is allocated to supporting services. The direct costs of providing the various programs and other activities have been summarized in the statements of activities. Salaries and employee benefits are allocated to program and supporting services based upon management's estimate of time each employee devotes to various activities.

Program services include:

Workforce Development Division – supports a combination of educational and workforce training needs throughout the region served by the Chamber. Some of the programs sponsored by the division are Accent on Excellence Breakfast and the regional Career Fair.

Government Relations/Affairs Division – focuses on state, local, and federal government initiatives. The Chamber has two registered state lobbyist on staff. These individuals are in Baton Rouge during Legislative Sessions as needed. They also conduct an annual Northern Exposure advocacy trip to the State Capital. On the local front, the Chamber has an agreement with the City of Monroe, to represent the City in the areas of economic development, state and federal advocacy, and transportation and infrastructure. The Chamber also conducts two trips to Washington, D. C., to meet with House and Senate members as well as various Federal agencies to promote issues of concern for our area.

Membership Services Division – benefits members of the Chamber by providing valuable information through a weekly newsletter and a semi-annual news magazine. The Chamber also provides literature to acquaint newcomers with Ouachita Parish which is also available on the Chamber's web site.

Supporting services include:

Management and General – includes oversight, business management, general record keeping, budgeting, financing, soliciting revenue from exchange transactions, such as government contracts and related administrative activities.

Fund Raising - includes the costs of the annual Holiday Auction held in December of each year. The Chamber also hosts a golf tournament for members to raise funds.

MONROE CHAMBER OF COMMERCE, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

Membership Development – includes soliciting for prospective members, membership dues and the Total Resource Development Campaign which solicits participation in and support of its various programs in fulfilling the mission of the Chamber and enhancing benefits to the membership.

Donated Materials and Services

Capital items are recorded at their fair market value on the date of donation. The value of contributed services and miscellaneous materials meeting the requirements for recognition in the financial statements are recognized as revenues and related expenses for gifts-in-kind.

Tax Status

The Chamber has qualified as an organization exempt from federal income taxes pursuant to Section 501(c)(6) of the Internal Revenue Code; therefore, there is no provision for income taxes in the accompanying financial statements except for tax on unrelated trade or business income related to maps and tabloids.

Impairment of Long-Lived Assets

The Chamber assesses whether there has been impairment in the value of its long-lived assets whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount to the future net cash flows, undiscounted and without interest, expected to be generated by the assets. If such assets are considered to be impaired, the amount of impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value, less costs to sell.

Use of Estimates

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

MONROE CHAMBER OF COMMERCE, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

Note 2 - Investment in Milner Building, LLC

On March 20, 2002, the Chamber entered into an operating agreement with RTR of Monroe, LLC (also see Note 7) creating the Milner Building, LLC for the operation of a commercial office building in downtown Monroe. Under the agreement, RTR of Monroe, LLC has a 90% equity ownership and the Chamber a 10% equity ownership of Milner Building, LLC. The Chamber paid \$100,000 for its 10% interest. Per the operating agreement the Chamber shall be paid, as a priority distribution, \$7,000 annually from the operating cash flow, if any, after all expenses and debt service have been paid. Additionally, the Chamber will receive 10% of any remaining cash flow after payment of the priority distribution above.

During 2010, the Chamber recognized its \$8,919 share of the negative operating cash flow obligation from the Milner Building, LLC by decreasing the carrying value for the investment. In management's assessment of the carrying value of Milner Building, LLC, it determined that an impairment of \$31,081 existed and recorded it by decreasing the carrying value. The cumulative \$40,000 decrease is reflected in Management and General Expense.

Note 3 - Line of Credit

The Chamber obtained a \$75,000 line of credit on May 23, 2008. The line of credit was unsecured and had a \$25,029 balance on December 31, 2009. It was fully paid in March of 2010, and it expired on May 23, 2010. The \$75,000 line of credit was renewed by the Board of Directors on June 15, 2010. No funds were drawn against the line of credit during the remainder of 2010. The renewed line of credit has a variable interest rate based on changes in an independent index-Low Prime Rate-and it expires June 16, 2012.

Note 4 - Capital Lease Obligation-Computer Equipment

During 2008, the Chamber entered into a capital lease, acquiring \$10,908 of computer equipment at an interest rate of 6.58%. Capital leases give rise to both property rights and long-term lease obligations and are reflected on the Chamber's Statements of Financial Position. Total lease payments for the years ended December 31, 2010 and 2009 were \$4,125 and \$5,859, respectively. As of December 31, 2010, future minimum lease payments under the capital lease obligation are \$1,361 less \$18 for amounts representing interest for a net present value of future minimum lease payments of \$1,343.

MONROE CHAMBER OF COMMERCE, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

Note 5 - Note Payable

The Chamber executed a promissory note on December 5, 2003, with an interest rate of 5.25%. In August of 2006 the Chamber requested- and was granted a reduction to interest only for a period of one year. Beginning August 2007, the Chamber began repaying principal at the rate of \$1,667 per month (\$20,000 per year) plus interest.

On December 5, 2008, the Chamber refinanced its promissory note at an interest rate of 6.25% with fifteen \$1,636 monthly payments. The promissory note was fully paid in March of 2010.

Note 6 - Supporting Services

Management and General Expenses consist of the following for 2010 and 2009:

	2010	2009
Automobile Expense	\$ 1,820	\$ 304
Continuing Education	285	-
Depreciation	18,993	23,527
Insurance	7,441	6,993
Interest	1,197	4,817
Lease-Copier Equipment	5,695	5,695
Lease-Office Space	71,960	71,960
Loss on Impairment of an Asset (Note 2)	40,000	-
Office Supplies	7,028	13,757
Postage	6,864	6,757
Professional Fees	25,459	23,146
Salaries and Employee Benefits	81,164	105,331
Service Contracts and Repairs	5,527	6,901
Telephone	11,314	11,925
Travel and Entertainment	-	1,419
Unrelated Business Income Taxes	2,024	1,012
Other	15,916	12,937
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Total	\$ 302,687	\$ 296,481

MONROE CHAMBER OF COMMERCE, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

Fund Raising expenses consist of the following for 2010 and 2009:

	<u>2010</u>	<u>2009</u>
Salaries and Employee Benefits	\$ 28,198	\$ 32,482
Christmas Auction	46,546	39,036
Golf Tournament	5,700	5,209
Congressional Matters	<u>513</u>	<u>671</u>
Total	\$ <u>80,957</u>	\$ <u>77,398</u>

Membership Development expenses consist of the following for 2010 and 2009:

	<u>2010</u>	<u>2009</u>
Salaries and Employee Benefits	\$ 41,843	\$ 18,758
Annual Meeting and Banquet	12,926	14,461
Printing and Developing	-	250
Other	<u>2,739</u>	<u>5,870</u>
Total	\$ <u>57,508</u>	\$ <u>39,339</u>

Note 7 - Operating Lease -Office Space

The Chamber leases office space from Milner Building, LLC, under a ten year noncancelable operating lease, from March 1, 2002 until February 28, 2012. Total rental expenses for the years ended December 31, 2010 and 2009, is \$71,960 for each year. Future minimum lease payments required under the operating lease are as follows:

	<u>Operating Lease</u>
2011	\$ 71,960
2012	<u>11,993</u>
Total minimum lease payments	\$ <u>83,953</u>

MONROE CHAMBER OF COMMERCE, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

Note 8 - Employee Retirement Plan

The Chamber provides a 401 (k) retirement plan for eligible employees. To participate in the plan, employees must be at least 21 years of age and have provided one year of service. The Chamber contributes 5% of participating employees' earnings. Employees may make a pre-tax voluntary contribution of up to 100% of their compensation or the maximum amount permitted by law to the plan. The Chamber contributed \$10,609 and \$12,654 to this plan for the years ended December 31, 2010 and 2009, respectively.

Note 9 - Noncash Activities

For 2010 and 2009, the Chamber received noncash revenues in the form of membership dues and total resource development campaign contributions of \$151,717 and \$127,500 in exchange for contributed services of \$143,700 and \$113,790.

Note 10 - Disclosures about Concentrations

All of the membership dues receivable represents amounts due from businesses located within Ouachita Parish and mostly within the City of Monroe. Approximately five percent of other receivables represent amounts due from the membership for participation in other programs such as leadership, government relations and similar programs. The Chamber does not require any security or collateral to secure these amounts.

In 2009, the Chamber received \$143,329 (16% of total support) from City of Monroe, University of Louisiana-Monroe, and Ouachita Port. During 2010, the Chamber received \$154,996 (17% of total support) from these same local governments. For 2011, the Chamber has budgeted \$155,000 from these local governments. A portion (\$120,000) of these funds received from these local governments is used to support the costs of the Chamber's consulting lobbying firm. The lobbying firm contract is cancelable with 30 days notice.

The Chamber has various deposit accounts at two federally insured financial institutions. As of December 31, 2010, the bank balances in these accounts did not exceed the FDIC coverage. Beginning December 31, 2010, through December 31, 2012, all noninterest-bearing transaction accounts are fully insured, regardless of the balance of the account, at all FDIC-insured institutions.

MONROE CHAMBER OF COMMERCE, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

Note 11 - Related Party Transactions

Members of the Chamber's Board of Directors (Executive Committee) are also members of the Monroe Chamber Foundation's Board of Directors.

Note 12 – Special Item

During recent years, the Chamber carried an additional \$20,000 in payables for an amount that was believed to be owed to one of its primary ongoing vendors. This vendor did not reflect this amount in its records but was typically slow in its billings and the Chamber believed this amount would be payable at a latter date. However, during 2010, the Chamber paid the balance owed to this vendor through December 31, 2010 and cleared the remaining \$20,000 that had been in payables. The vendor agreed that the payment in December paid the account in full through December 31, 2010.

Note 13 – Subsequent Events

Subsequent events have been evaluated through the date the financial statements were available to be issued, June 30, 2011, and no significant events occurred for disclosure.

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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 of Directors
Monroe Chamber of Commerce, Inc.
Monroe, Louisiana

We have audited the financial statements of the **Monroe Chamber of Commerce, Inc.** (the Chamber) as of and for the years ended December 31, 2010 and 2009, and have issued our report thereon dated June 30, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

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

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

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

**Board of Directors
Monroe Chamber of Commerce, Inc.**

Compliance and Other Matters

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

This report is intended solely for the information of management, the Chamber's Board of Directors, entities granting funds to the Chamber and the Legislative Auditor for 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.

Steffens Huffman Reynolds & Seigrist

(A Professional Accounting Corporation)

June 30, 2011