

**OUACHITA AFRICAN-AMERICAN
HISTORICAL SOCIETY, INC.**

MONROE, LA

FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2010

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 8/31/11

BY
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A PROFESSIONAL ACCOUNTING CORPORATION
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OUACHITA AFRICAN-AMERICAN HISTORICAL SOCIETY, INC.

MONROE, LA

FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2010

TABLE OF CONTENTS

	<u>EXHIBITS</u>	<u>PAGE NO.</u>
Independent Auditor's Report		1-2
<u>Financial Statements</u>		
Statement of Financial Position	A	4
Statement of Activities	B	5
Statement of Cash Flows	C	6
Notes		8-12
<u>Supplementary Information</u>		
Schedule of Compensation Paid Board of Directors		14-15
Report on Internal Control over Financial Reporting and on Compliance And Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		16-17
Schedule of Functional Expenses		18
Schedule of Findings and Responses		19
Summary Schedule of Findings and Responses		20

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INDEPENDENT AUDITOR'S REPORT

Board of Directors of
Ouachita African-American Historical Society, Inc.
Monroe, LA

I have audited the accompanying statement of financial position of Ouachita African-American Historical Society, Inc. (a nonprofit organization) as of December 31, 2010, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Society's management. My responsibility is to express an opinion on these financial statements based on my audit.

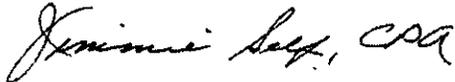
I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Controller General of the United States. Those standards require that I plan and perform 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 Ouachita African-American Historical Society, Inc., as of December 31, 2010, 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.

In accordance with Government Auditing Standards, I have also issued my report dated June 27, 2011, on my consideration of the Society'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 financial statements as a whole. The schedule of functional expenses on page 18 is presented for purposes of

additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to additional auditing procedures applied in the audit of the financial statements and certain procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole .



Jimmie Self, CPA
Monroe, Louisiana
June 27, 2011

Financial Statements

OUACHITA AFRICAN-AMERICAN HISTORICAL SOCIETY, INC.
Statement of Financial Position
December 31, 2010

EXHIBIT A

Assets

Current Assets:

Cash and Cash Equivalents	\$ 13,954
Grants Receivable	237,910
Land, Buildings, and Equipment	6,795
Arts, Artifacts, and Other Exhibits	16,390
Construction in Progress	<u>1,160,238</u>
Total Assets	<u>\$ 1,435,287</u>

Liabilities and Net Assets

Current Liabilities:

Accrued Liabilities	<u>\$ 237,706</u>
Total Current Liabilities/Total Liabilities	<u>237,706</u>

Net Assets:

Unrestricted Net Assets	<u>14,158</u>
Total Unrestricted Net Assets	<u>14,158</u>
Restricted Investment in Fixed Assets	<u>1,183,423</u>
Total Restricted Net Assets	<u>1,183,423</u>
Total Net Assets	<u>1,197,581</u>
Total Liabilities and Net Assets	<u>\$ 1,435,287</u>

See accompanying notes to financial statements

OUACHITA AFRICAN-AMERICAN HISTORICAL SOCIETY, INC.
Statement of Activities
For the Year Ended December 31, 2010

EXHIBIT B

UNRESTRICTED NET ASSETS

Support:	\$ 1,413
TOTAL UNRESTRICTED SUPPORT	<u>1,413</u>

Net Assets Released from Restrictions

Restrictions Satisfied by Payments	1,125,230
TOTAL UNRESTRICTED SUPPORT AND RECLASSIFICATION	<u>1,126,643</u>

Expenses

Program Expense	16,649
Total Expenses	<u>16,649</u>
Change in Unrestricted Net Assets	<u>1,109,994</u>

TEMPORARILY RESTRICTED NET ASSETS

Grants	
Local	20,673
State	1,104,557
Net Assets Released from Restrictions:	
Restrictions satisfied by payments	1,125,230
Change in Temporarily Restricted Net Assets	<u>-</u>
Change in Net Assets	<u>1,109,994</u>
Net Assets as of Beginning of Year	87,587
Net Assets as of End of Year	<u><u>\$ 1,197,581</u></u>

See accompanying notes to financial statements.

OUACHITA AFRICAN-AMERICAN HISTORICAL SOCIETY, INC.
STATEMENT OF CASH FLOWS
For the Year ended December 31, 2010

EXHIBIT C

Operating Activities	
Change in Net Assets	\$ 1,109,994
Adjustments to Reconcile change in Net Assets to Net Cash Provided by Operating Activities:	
Increase in Grants Receivable	(237,910)
Increase in Loans from Officers	(1,100)
Increase in Accounts Payable/Accrued Liabilities	<u>233,849</u>
Total Adjustments	<u>(5,161)</u>
Net Cash Provided by Operating Activities	<u>1,104,833</u>
Investing Activities	
Cash Paid for Construction in Progress	<u>(1,099,803)</u>
Net Cash Used by Investing Activities	<u>(1,099,803)</u>
Net Cash Increase for the Period	5,030
Cash and Cash Equivalents as of Beginning of Year	<u>8,924</u>
Cash and Cash Equivalents as of End of Year	<u>\$ 13,954</u>

See accompanying notes to financial statements.

Notes to Financial Statements

OUACHITA AFRICAN-AMERICAN HISTORICAL SOCIETY, INC.
Monroe, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 2010

NOTE 1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Ouachita African-American Historical Society, Inc. is a private non-profit organization domiciled in the State of Louisiana at Monroe. The Society was chartered by the State of Louisiana on February 3, 1994. The Society is recognized as a tax-exempt (non-profit) organization under section 501 (c) (3) of the Internal Revenue Service Code, and is exempt from federal and state income taxes. The Society is formed for the purposes of preserving and increasing the availability of resources for research, study, and education about African-Americans; planning and implementing the preservation of programs and projects in education, religion, business, politics, civil rights, fine arts, health and medicine, sports, and youth; and providing the opportunity for educational growth and cultural awareness and development in the community. The Society seeks to provide a permanent exhibition on African-American heritage in Ouachita Parish by making historical information and artifacts available for public use. The Society is governed by a Board of Directors consisting of eighteen (18) members. The board members receive no compensation

Basis of Presentation

For the period ending December 31, 2010, the Organization followed provisions of Statement of Financial Accounting Standards No. 117, *Financial Statements of Not-for-Profit Organizations*. Statement No. 117 requires the Organization to distinguish between contributions that increase permanently restricted net assets, temporarily restricted net assets, and unrestricted net assets. It also requires recognition of contributions, including contributed services meeting certain criteria, at fair values. Statement No. 117 establishes standards for general-purpose external financial statements of not-for-profit organizations and requires a statement of financial position, a statement of activities, and a statement of cash flows.

Public Support and Revenue

Revenue and public support consists mainly of state, and local grants, fundraising, and contributions. Grants and other assets are reported as permanently restricted or temporarily restricted if they are received with donor restrictions or restrictions designated by the governing board. Contributions received are considered to be unrestricted unless restricted by the donor and are recorded as unrestricted contributions.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management's estimates. Accordingly, actual results could differ from those estimates.

OUACHITA AFRICAN-AMERICAN HISTORICAL SOCIETY, INC.
Monroe, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 2010

Property and Equipment

Fixed Assets of the Society are expensed in the year of acquisition. Assets acquired by gift or bequest are recorded at their fair market value at the date of transfer as income and expense. The Society has elected to omit depreciation of these fixed assets.

The Society reflects investments in fixed assets on the Statement of Financial Position in an asset account titled "Property, Plant, and Equipment," and an equal amount in equity titled "Investment in Fixed Assets."

Financial Statement Presentation

The Society is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Investments

There are no investments.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Society considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Total Columns

Total columns are presented to facilitate financial analysis. Data in these columns do not present financial position, results of operations, and changes in net assets in conformity with generally accepted accounting principles. Neither is such data comparable

NOTE 2. CASH AND CASH EQUIVALENTS

Cash at December 31, 2010, consisted of the following:

Cash and Cash Equivalents	13,954
TOTAL	<u>\$ 13,954</u>

OUACHITA AFRICAN-AMERICAN HISTORICAL SOCIETY, INC.
Monroe, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 2010

NOTE 3. RESTRICTIONS ON NET ASSETS

Substantially all the restrictions on net assets at the end of 2010, if applicable, are related to funds provided by state grants, which are used to operate the Society.

Below is a break-down of restricted assets at December 31, 2010.

Unrestricted	14,158
Temporarily Restricted	<u>1,183,423</u>
Released from Restrictions	<u>1,125,230</u>
Total Unrestricted Assets	<u>1,109,994</u>

Temporarily restricted assets are available for the general operations of the Society.

NOTE 4. PROPERTY AND EQUIPMENT

A summary of changes in general fixed assets for the year ended December 31, 2010 is as follows:

January 1, 2010	\$ 83,620
Additions	1,099,803
Deletions	-
December 31, 2010	<u>\$1,183,423</u>

NOTE 5. FUNCTIONAL ALLOCATION OF EXPENSES

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

NOTE 6. PENSION PLAN

The Society does not have a retirement program for its employees and the employees are not members of the State of Louisiana Retirement System. All employees of the Society are members of the Social Security System. In addition to the employees' contribution of 7.65 percent, the agency contributes an equal amount to the Social Security System. The Society does not guarantee the benefits granted by the Social Security System.

NOTE 7. ACCRUED LIABILITIES

At December 31, 2010, the Society had accrued liabilities totaling \$237,706

OUACHITA AFRICAN-AMERICAN HISTORICAL SOCIETY, INC.
Monroe, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 2010

NOTE 8. INTERFUND TRANSACTIONS

The Society maintained the following funds for the period ending December 31, 2010:

General Fund

All assets over which the Board of Commissioners has discretionary control have been included in the general fund.

State Grant Capital Projects Fund

The State Grant Capital Projects Fund is used to account for all assets that are restricted for special projects and programs of the museum.

Convention and Tourism Bureau Fund

The Convention and Tourism Bureau Fund is used to account for all assets that are restricted for special projects and programs of the museum.

NOTE 9. RISK MANAGEMENT

The Society is exposed to various risk of loss related to torts: theft of, damage to, and destruction of assets, and injuries to employees. To handle such risk of loss, the Society carries insurance coverage with HTB Small Museum Insurance Program, Huntington T. Block Insurance Agency, Inc. The policy covers property, liability, crime and fidelity, employee liability, and others. No claims have been paid on any of the policies during the past three years that exceeds the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended December 31, 2010.

NOTE 10. SUBSEQUENT EVENTS

Subsequent events were evaluated by management up to and including the issue date of this report, June 27, 2011. There were no subsequent events noted which would affect the financial statements for the year ended December 31, 2010.

NOTE 11. COMMITMENTS

In 1994, the Society entered into a cooperative endeavor with the State of Louisiana Office of Facility Planning and Control of the Division of Administration for the construction of a new museum, which will be located in Chennault Park of Monroe, Louisiana, at 1051 Chennault Park Drive in 2011. The new museum will be utilized to provide the diverse Northeast Louisiana with opportunity to engage in reciprocal cultural events, to ensure that the history and contributions of African-Americans are accurately explicated, and to build unity between different cultural

OUACHITA AFRICAN-AMERICAN HISTORICAL SOCIETY, INC.
Monroe, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 2010

groups. The total project is estimated to cost \$2,716,775. As of December 31, 2010, the amount expended was \$1,138,632. The balance remaining in the contract of payments is \$1,635,075.

Supplementary Information

**OUACHITA AFRICAN-AMERICAN HISTORICAL
SOCIETY, INC.**

Schedule of Compensation Paid to the Members of the Board of Directors
For the Year Ended December 31, 2010



The members of the board of directors are listed on the following page titled
"2010-2011 Board of Directors."

The members of the Board of Directors as listed on the following page do not receive
any compensation from the Society.

2010 – 2011 Board of Directors

Mrs. Addie Bolton
911 Second Street
Winnsboro, LA 71295
(318) 435-4615
Non-Profit Director

Mrs. Emma Jones
1202 Crescent Drive
Monroe, LA 71202
(318) 325-8897
(318) 381-4213
Educator
Secretary/Treasurer

Ms. Joyce Powell
P. O. Box 9233
Monroe, LA 71211-9233
(318) 387-7565
Educator/Librarian
Assistant Secretary

Ms. Terrie Wright
449 Birchwood Drive
Monroe, LA 71201
(318) 323-0073
(318) 512-5872
Director of AM Library

Mrs. Lakeisha Bosworth
49 Magnolia Drive
Monroe, LA 71203
(318) 345-2130
Educator
President

Mrs. Vivian Hester
2927 Jackson Street
Monroe, LA 71202
(318) 322-4574
Retired Director NPO

Mr. Kenny Menyweather
609 Oregon Trail
Monroe, LA 71202
(318) 323-8399
(318) 680-8014
MC Captain Fire Fighter
Respiratory Technician
Financial Secretary

Mrs. Lorraine Slacks
801 Jason Drive
Monroe, LA 71202
(318) 387-2914
Retired Educator
Executive Director of AAM

Mr. Ross Slacks
311 King Oaks Drive
Monroe, LA 71202
(318) 235-7090
Museum Representative

Mrs. Nora Brown
2114 Weaver Circle
Monroe, LA 71202
(318) 387-0828
Retired Educator

Rev. James B. Johnson
P. O. Box 28
Monroe, LA 71210-028
(318) 387-5567
(318) 547-5827
Retired Educator and Minister

Mrs. Clara Morrison
118 Sunflower Lane
Ferriday, LA 71334
(318) 757-8708
Non-Profit
Administrator/Minister

Mrs. Josephine Webster
411 Gillespie
Vidalia, LA 71374
(318) 336-8504
(318) 336-4395
(601) 870-8733
Retired Educator
Director of NPO

Jimmie Self, CPA
A Professional Accounting Corporation
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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
Ouachita African-American Historical Society, Inc
Monroe, Louisiana

I have audited the financial statements of the Ouachita African-American Historical Society, Inc., (the Society), (a non profit organization) as of and for the year ended December 31, 2010, and have issued my report thereon dated June 27, 2011. I conducted my audit in accordance with 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 the Society'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 Society's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Society's internal control over financial reporting.

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

My consideration of the 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. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses. However, I identified a certain deficiency in internal control over financial reporting, described in the accompanying schedule of findings and responses that I consider to be a significant deficiency in internal control over

financial reporting, as item #2010-01. A *significant* deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Society'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 one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as items #2010-01. The Society's response to the findings identified in my audit is described in the accompanying schedule of findings and responses. I did not audit the Society's response and, accordingly, I express no opinion on it.

This report is intended solely for the information and use of management of the Society, others within the Society, and the Louisiana 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Jimmie Self, CPA
Monroe, Louisiana
June 27, 2011

OUACHITA AFRICAN-AMERICAN HISTORICAL SOCIETY, INC.
Schedule of Functional Expenses
For the Year Ended December 31, 2010

Program Expense

Personnel Costs:

Salaries and Wages	\$ 1,446
Payroll Taxes and Other Fringe Benefits	126
Total Personnel Costs	<u>1,572</u>

Other Expenses:

Advertisement	222
Bank Service Charges	50
Capital Outlay	634
Catering	125
Equipment Rental	745
Lawncare	345
Licenses & Permits	5
Office Expense	984
Printing & Reproductions	139
Professional Fees	4,550
Postage and Delivery	299
Rent	600
Repairs and Maintenance-Equipment	775
Security	246
Telephone	2,782
Utilities	2,576
Total Other Expenses	<u>15,077</u>

Total Functional Expense:	<u>\$ 16,649</u>
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See accompanying notes to financial statements.

OUACHITA AFRICAN-AMERICAN HISTORICAL SOCIETY, INC.

Monroe, Louisiana

SCHEDULE OF FINDINGS AND RESPONSES

For the Year Ended December 31, 2010

Summary of Audit Results

The auditor's report for the year ended December 31, 2010 expressed an unqualified opinion on the basic financial statements of the Ouachita African-American Historical Society, Inc., Monroe, Louisiana.

Finding 2010-1

CONDITION: No segregation of duties

CRITERIA: Duties should be distributed among employees.

CAUSE OF CONDITION: The staff consists of only one clerk.

EFFECT OF CONDITION: Internal control is weakened by the limited staff.

RECOMMENDATION: Hire more employees and redistribute duties.

CLIENT RESPONSE: Management concurs with the finding and recommendation. In those instances where duties cannot be fully segregated, mitigating or compensating controls will be established.

SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES

For the Year Ended December 31, 2009

There were no prior year findings and responses. (FYE 12-31-2007 was the last audit completed for the Society.)

Jimmie Self, CPA
A Professional Accounting Corporation
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SUMMARY SCHEDULE OF FINDINGS AND
RESPONSES

For the Year Ended December 31, 2010

I have audited the financial statements of OUACHITA AFRICAN-AMERICAN HISTORICAL SOCIETY, INC. and have issued my report dated June 27, 2010. My audit of the financial statements resulted in an unqualified opinion.

Section I Summary of Auditor's Reports

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

Internal Control

Material Weaknesses yes no Control Deficiency yes no

Compliance

Compliance material to Financial Statements yes no

Schedule of Findings and

Summary Schedule of Prior Year Findings and Responses

For the year ended 12-31-2009

There were no prior year findings and responses. (FYE 12-31-2007 was the last audit completed for the Society.)