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LOUISIANA BOARD OF PHARMACY
LOUISIANA DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
FINANCIAL REPORT
For the year ended
June 30, 2007
(With Accountant's Report Thereon)

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 11/7/07

LOUISIANA BOARD OF PHARMACY
STATE OF LOUISIANA

Financial Report
As of and for the year ended
June 30, 2007
With Supplemental Information Schedule

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MICHAEL K. GLOVER

Certified Public Accountant

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(225) 295-1860

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Louisiana Board of Pharmacy
Baton Rouge, Louisiana

I have audited the accompanying financial statements of the business-type activities of the Louisiana Board of Pharmacy, a component unit of the State of Louisiana, as of and for the ended June 30, 2007, as listed in the table of contents. These financial statements are the responsibility of the Louisiana Board of Pharmacy management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards accepted in the United States and the standards applicable to financial audits contained in *Government Audit 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.

As discussed in Note A, the financial statements present only the Louisiana Board of Pharmacy, a component unit of the State of Louisiana and do not purport to, and do not, present fairly the financial position of the State of Louisiana, as of June 30, 2007, and the changes in financial position and cash flows, for the year ended in conformity with accounting principles generally accepted in the United States of America.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Louisiana Board of Pharmacy a component unit of the State of Louisiana, as of June 30, 2007, and the changes in financial position and cash flows for the year ended June 30, 2007, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Audit Standards*, I have also issued my report dated October 19, 2007, on my consideration of Louisiana Board of Pharmacy internal control over financial reporting and my test of its compliance with certain provision of laws, regulations, and 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 read in conjunction with this report in considering the results of my audit.

The management's discussion and analysis and other required supplementary information as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United State of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

My audit was conducted for the purpose of forming an opinion on the financial statements 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in my opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

Michael H. Blum

Baton Rouge, Louisiana
October 19, 2007

MICHAEL K. GLOVER
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**Report on Compliance and on Internal Control over Financial Reporting
Based on an Audit of Financial Statements Performed in Accordance with Government Auditing
Standards**

I have audited the financial statement of the business-type activities of the Louisiana Board of Pharmacy, a component unit of the State of Louisiana, as of and for the year ended June 30, 2007, and have issued my report thereon dated October 19, 2007. I conducted my audit in accordance with auditing standards generally accepted in the United States and 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 Louisiana Board of Pharmacy internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide an opinion on the effectiveness of the Louisiana Board of Pharmacy internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Louisiana Board of Pharmacy's internal control over financial reporting.

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 the control deficiencies, that adversely affects the Louisiana Board of Pharmacy'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 Louisiana Board of Pharmacy's financial statements that is more than inconsequential will not be prevented or detected by the Louisiana Board of Pharmacy'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 Louisiana Board of Pharmacy's internal control.

My consideration of the 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 control over financial reporting that I consider to be material weaknesses. I did not identify any deficiencies in internal control that I considered to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Louisiana Board of Pharmacy, a component unit of the State of Louisiana, financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 on my audit and, accordingly, I do not express such an opinion. The results of my test disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information of management and interested federal and state agencies and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Michael K. Glover

Baton Rouge, LA
October 19, 2007

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**Report on Compliance with Requirements
Applicable to Each Major Program and Internal Control over
Compliance in Accordance with OMB Circular A-133**

To the Board of Commissioners
Louisiana Board of Pharmacy
Baton Rouge, LA

Compliance

I have audited the compliance with Louisiana Board of Pharmacy 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 each of its major federal program for the year ended June 30, 2007. The Board's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned cost. Compliance with the requirements of law, regulations, contracts and grants applicable to its major federal program is the responsibility of the Board's management. My responsibility is to express an opinion on the Board's compliance based on my audit.

I conducted my audit 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 I 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 the major federal program occurred. An audit includes examining, on a test basis, evidence about the Board's compliance with those requirements and performing such other procedures as I considered in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on the Board's compliance with those requirements.

In my opinion, the Board has complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 2007.

Internal Control Over Compliance

The management of the Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing my audit, I considered the Board's internal control over compliance with 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 the Board's internal control over compliance.

A control deficiency in the entity's internal control over compliance 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 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 Board'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 Board'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 Board'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. I did not identify any deficiencies in internal control over compliance that I considered to be material weaknesses, as defined above.

This report is intended for the information and use of the management, others within the Organization and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties. However, this report is a matter of public record and distribution is not limited.



Michael K. Glover APAC
October 19, 2007



Louisiana Board of Pharmacy

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The Management's Discussion and Analysis of the Louisiana Board of Pharmacy's financial performance presents a narrative overview and analysis of the Board's financial activities for the year ended June 30, 2007. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the additional information contained in the transmittal letter and the Board's financial statements.

FINANCIAL HIGHLIGHTS

- The Board's assets exceeded its liabilities at the close of fiscal year 2007 by \$2,077,002. The net assets increased by \$430,702, or 26%, over the prior fiscal year.
- The Board's revenue increased \$547,543, or 34%, from the prior fiscal year; the operating expenses increased by \$306,095, or 20%, for the same period.
- The Board performed extraordinary services in the opening days of the fiscal year, disbursing in excess of \$8,000,000 to pharmacies across the state pursuant to claims for prescription drugs they dispensed to Louisiana residents in the weeks and months following Hurricanes Katrina and Rita in the fall of 2005.

OVERVIEW OF THE FINANCIAL STATEMENTS

These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information.

Basic Financial Statements

The basic financial statements present information for the Board as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Balance sheet; the Statement of Revenues, Expenses, and Changes in Net Assets; and the Statement of Cash Flows.

The Balance sheet presents the current and long-term portions of assets and liabilities separately. The difference between total assets and total liabilities is net assets and may provide a useful indicator of whether the financial position of the Board is improving or deteriorating.

The Statement of Revenues, Expenses, and Changes in Net Assets presents information showing how the Board's assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

The Cash Flow Statement presents information showing how the Board's cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income (loss) to net cash provided (used) by operating activities (indirect method) as required by GASB 34.

FINANCIAL ANALYSIS OF THE ENTITY

Statement of Net Assets For the Year Ended June 30, 2007

	6/30/2007
Current Assets	
Cash and cash equivalents	\$ 895,783
Investments	1,219,482
Equipment	
Capital assets - net of accumulated depreciation	<u>81,841</u>
TOTAL ASSETS	2,197,106
Current Liabilities	
Accounts payable	3,262
Payroll taxes payable	1,263
Compensated absences	<u>19,054</u>
Total Current Liabilities	23,579
Noncurrent Liabilities	
Compensated absences	<u>96,524</u>
Total Noncurrent Liabilities	<u>96,524</u>
TOTAL LIABILITIES	120,103
Net Assets	
Invested in capital assets, net of related debt	81,841
Unrestricted	<u>1,995,161</u>
TOTAL NET ASSETS	2,077,002

Net assets of the Board increased by \$430,702, or 26%, from June 30, 2006 to June 30, 2007. The two primary contributors to the increase were fees associated with a credential transferred to the Board at the beginning of the year, as well as unplanned assessments in major disciplinary cases.

The Board's revenues increased by \$547,543, or 34%, from the prior fiscal year. The total cost of all programs and services increased by \$306,095, or 20%, for the same period.

CAPITAL ASSET AND DEBT ADMINISTRATION

- **Capital Assets**

At the end of the 2007 fiscal year, the Board had \$81,841 (net of accumulated depreciation) invested in a broad range of capital assets, including furniture and equipment. During the year, the Board invested \$40,287 in new equipment.

Statement of Revenues, Expenses, and Changes in Fund Net Assets
For the Year Ended June 30, 2007

	6/30/2007
OPERATING REVENUES	
Licenses, permits, and fees	\$ <u>2,176,667</u>
Total	2,176,667
OPERATING EXPENSES	
Personnel services and related benefits	1,162,048
Operating services	375,185
Materials and supplies	29,247
Professional fees	171,401
Travel	74,835
Depreciation	<u>28,879</u>
Total	1,841,596
Operating income (loss)	335,071
NONOPERATING REVENUES	
State appropriations	8,576,994
Federal assistance expenses	(8,576,994)
Investment income	<u>95,631</u>
Income / (Loss)	430,702
Total Net Assets - beginning	1,646,535
Total Net Assets - ending	\$ 2,077,237

• **Debt**

The Board did not have any bond or notes outstanding at the end of the fiscal year. There were no claims or judgments at the end of the fiscal year. The only significant liability was compensated absences.

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

Revenues were approximately \$44,053 over budget, primarily due to one large fine collected from a disciplinary case. Expenditures were \$100,029 less than budget primarily due to the deferral of some non-essential expenses.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Board's elected and appointed officials considered the following factors and indicators when setting next year's budget, rates, and fees:

- Anticipated licensure activity (acquisition, renewal, and attrition)
- Demand for goods and services
- Enforcement actions
- Historical pattern of operational costs
- Planned projects

Statement of Cash Flows
For the Year Ended June 30, 2007

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from licensees	\$ 2,176,667
Cash payments to suppliers of goods and supplies	(654,711)
Cash payments to employees for services	<u>(1,141,928)</u>
Net cash provided (used) by operating activities	380,028
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of capital assets	<u>(40,287)</u>
Net cash used by capital and related financing activities	(40,287)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of securities	(481,524)
Sale of securities	790,476
Investment income	<u>73,949</u>
	382,901
Net (decrease) in cash and cash equivalents	722,642
Cash and cash equivalents, beginning of year	<u>173,141</u>
Cash and cash equivalents, end of year	895,783

RECONCILIATION OF OPERATING INCOME AND NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income	\$ 335,071
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation	28,879
Change in assets and liabilities	
Accounts payable	(4,042)
Payroll tax liability	(1,197)
Compensated absences	<u>21,317</u>
Net cash used by operating activities	380,028

The Board expects that next year's results may improve somewhat based on the following:

- The legislature authorized the Board to develop, implement, and operate a prescription monitoring system, as well as the revenue necessary to provide the service.
- We anticipate continued growth in licensure activity.

CONTACTING THE BOARD'S MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Board's finances and to show the Board's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Malcolm Broussard, Executive Director, at (225) 925-6496.

DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

Statement of Net Assets
As of June 30, 2007

ASSETS

Current assets:

Cash and cash equivalents	\$ 896,017
Investments	1,219,482

Equipment:

Capital assets - net of accumulated depreciation	81,841
---	--------

Total assets	\$ <u>2,197,340</u>
--------------	---------------------

LIABILITIES

Current liabilities:

Accounts payable	\$ 3,262
Payroll taxes payable	1,263
Compensated absences	19,054
Total current liabilities	<u>23,579</u>

Noncurrent liabilities:

Compensated absences	<u>96,524</u>
Total noncurrent liabilities	<u>96,524</u>

Total liabilities	<u>120,103</u>
-------------------	----------------

NET ASSETS

Invested in capital assets, net of related debt	81,841
--	--------

Unrestricted	<u>1,995,396</u>
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Total net assets	\$ <u>2,077,237</u>
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The notes are an integral part of this statement.

LOUISIANA BOARD OF PHARMACY
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

Statement of Revenues, Expenses and Changes in Fund Net Assets
For the Year Ended June 30, 2007

OPERATING REVENUES	
Licenses, permits and fees.	\$ 2,176,667
OPERATING EXPENSES	
Personnel services and related benefits	1,162,048
Operating services	378,966
Material & supplies	29,248
Professional fees	171,401
Travel	71,054
Depreciation	28,879
Other	
Total operating expenses	<u>1,841,596</u>
Operating income (loss)	335,071
NONOPERATING REVENUES (EXPENSES)	
State appropriations	8,576,994
Federal assistance expenses	(8,576,994)
Investment income	<u>95,631</u>
Income (loss)	430,702
Total net assets-beginning	<u>1,646,535</u>
Total net assets-ending	<u>\$ 2,077,237</u>

The notes are an integral part of this statement.

LOUISIANA BOARD OF PHARMACY
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

Statement of Cash Flows
For the Year Ended June 30, 2007

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from licenses	\$ 2,176,667
Cash payments to suppliers of goods and supplies	(654,711)
Cash payments to employees for services	<u>(1,141,928)</u>
Net cash provided (used) by operating activities	380,028
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of capital assets	<u>(40,287)</u>
Net cash used by capital and related financing activities	(40,287)
 CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of securities	(481,524)
Sale of securities	790,476
Investment income	<u>74,183</u>
	383,135
 Net increase (decrease) in cash and cash equivalents	 722,876
Cash and cash equivalents, beginning of year	<u>173,141</u>
Cash and cash equivalents, end of year	<u><u>\$ 896,017</u></u>
 RECONCILIATION OF OPERATING INCOME AND NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income	\$ 335,071
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Deprecation	28,879
Change in assets and liabilities	
Accounts payable	(4,042)
Payroll tax liability	(1,197)
Compensated absences	21,317
Net cash used by operating activities	<u><u>\$ 380,028</u></u>

The notes are an integral part of this statement.

LOUISIANA BOARD OF PHARMACY
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Introduction

The Louisiana Board of Pharmacy (the Board) is a component unit of the State of Louisiana created within the Louisiana Department of Health and Hospitals, as provided by Louisiana Revised Statutes (LSA-R.S) 37:1171. The Board is composed of seventeen members, appointed by the governor, including two licensed pharmacist from each of the pharmacy Boards districts as provided in R.S. 37:1173.

The Board is charged with the responsibility of establishing rules and regulations that control and regulate the practice of pharmacy.

Revenues to operate the Board are self-generated by licenses and fees paid by licensees and applicants.

Reporting Entity

Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included in the reporting entity. In conformance with GASB Codification Section 2100, this entity is a component unit of the State of Louisiana because the board is not legally separate and the state holds the board's corporate powers. The accompanying basic financial statements present only the transactions of the Louisiana Board of Pharmacy, a component unit of the State of Louisiana.

Basis of Presentation

The financial statements of the Board are prepared in accordance with accounting principles generally accepted in the United States of America. The Board's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements and applicable Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless they conflict with GASB pronouncements. The Board may also apply all FASB pronouncements or interpretations issued after November 30, 1989, except for those that conflict with or contradict GASB pronouncements.

Basis of Accounting

The accompanying financial statement have been prepared in conformity with general accepted accounting principles (GAAP) generally accepted in the United States of America using the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of asses and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Investments

Cash includes amounts in demand deposits and interest bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits that mature within 90 days after year end and other investments with original maturities of 90 days or less. Under state law, the district may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or under the laws of the United States.

LOUISIANA BOARD OF PHARMACY
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

Notes to Financial Statements

Under state law and as authorized by the Board, the Board may invest in United States bonds, treasury notes, mutual or trust funds or certificates. These are classified as investments if their original maturities exceed 90 days. However, if the original maturities are 90 days or less, they are classified as cash equivalents.

Capital Assets

Capital assets purchased in excess of \$1,000 are recorded at historical cost and depreciated over their estimated useful lives(excluding salvage value). Estimated useful life is management's estimate of how long the asset is estimated to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Furniture	5-7 years
Equipment	5-10 years

Encumbrances

Encumbrance accounting is used to record purchase orders as they are incurred to reserve that portion of the application appropriation. This method of accounting is not employed.

Revenues and Expenses

Revenues and expense are recorded on the accrual basis of accounting. Revenues consist of licenses and examination fees. Licenses are renewed on December 31, of each year. Licenses are recorded in the Statement of Activities when they are earned. Operating and non-operating expenses are recorded as they are incurred. During the fiscal year, the Board is now issuing licenses for Central Dangerous Substances. The board issued 18,000 licenses during the year earning an additional \$329,000 in license fees.

Employee Compensated Absences

Employees earn and accumulate vacation and sick leave at varying rates, depending on their years of service. Each employee may accumulate an unlimited amount of vacation and sick leave. After an employee is terminated they are compensated for up to 300 hours of unused vacation at their current rate of pay. The cost of current leave privileges are recognized as a current-year expense. The cost of leave not requiring current resources is recorded as a long-term obligation.

Statement of Cash Flows

This statement is prepared using the direct method. For purposes of this statement, this entity considers all highly liquid investments with a maturity of three months or less when purchased as a cash equivalent.

2. BUDGET PRACTICES

The budget is legally adopted and amended, as necessary, by the Board. All expenditure appropriations lapse at year end. The budgeted amounts are not included in the financial statements.

3. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposits and are secured by the Federal Deposit Insurance Corporation insurance. 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 equal or exceed the amount on deposit. The cash deposits held at financial institutions can be categorized according to three levels of risk.

LOUISIANA BOARD OF PHARMACY
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

Notes to Financial Statements

3. DEPOSITS WITH FINANCIAL INSTITUTIONS (Con't)

The deposits at June 30, 2007, consisted of the following:

	Amount
Bank deposits in bank accounts per balance sheet	\$ <u>925,386</u>
Bank balances of deposits exposed to custodial credit risk:	
a. Uninsured and uncollateralized	\$
b. Uninsured and collateralized with securities held by the pledging institution	
c. Uninsured and collateralized with securities held by the pledging institutions trust department or agent but not in the entities name	896,017
Total bank balances	\$ <u>896,017</u>
 Total bank balances	 \$ <u>896,017</u>

4. INVESTMENTS

Investments of the Board consist of U.S. government securities. These securities are stated at their fair value as required by GASB Statement 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*. The Board used quoted market values to determine fair value of the investments.

Descriptions	Cost	Fair Value	Percent of Investment	Moody's Investors Service Credit quality Rating	Weighted average Maturity (Years)
Federal Home Loan Bank (FHLB)	\$ 399,303	383,441	31.77%	Aaa	2.71
Federal National Mortgage Association (FNMA)	407,944	382,500	31.69%	Aaa	5.78
Federal Home Loan Mortgage Corporation (FHLMC)	19,832	19,717	1.63%	Aaa	0.84
Federal Farm Credit Banks (FFCB)	<u>301,262</u>	<u>293,079</u>	<u>16.10%</u>	Aaa	1.85
Total debt securities-portfolio weighted-average maturity	1,128,341	1,078,737	62.89%		3.55
Money market fund-cash equivalent	<u>128,235</u>	<u>128,235</u>	<u>6.71%</u>		
Total investments	\$ <u>1,256,576</u>	<u>1,206,972</u>	<u>6.71%</u>		

Interest Rate Risk. The board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. The boards has adopted the state investment policy at RS 49:327. The board does not have any other policy that would further limit the investment choices.

Concentration of Credit Risk. The board places no limits on the amount the board may invest in any one issuer.

LOUISIANA BOARD OF PHARMACY
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
Notes to Financial Statements

5. CAPITAL ASSETS

A summary of changes capital assets and accumulated depreciation for the period are as follows:

	Capital Assets	Accumulated Depreciation	Net
Balance, July 1, 2006	\$ 168,823	98,391	70,432
Additions	40,288	28,879	11,409
Deletions	6,379	6,379	0
Balance, June 30, 2007	<u>\$ 202,732</u>	<u>120,891</u>	<u>81,841</u>

6. LITIGATION

There are no judgments, claims or similar contingencies pending against the Board at June 30, 2007.

7. PENSION PLAN

The employees of the Board are members of Louisiana State Employees' Retirement System (LASERS), a multiple-employer defined benefit pension plan. LASERS is a component unit of the State of Louisiana included in the State's CAFR as a pension trust fund. LASERS was established and provided for within Title 11 Chapter 401 of the Louisiana Revised Statutes. LASERS is a statewide public retirement system for the benefit of state employees, which is administered by a separate board of trustees. LASERS issues a publicly available financial report that includes financial statements and required supplementary information for the defined benefit pension plan. This report can be obtained by writing to LASERS, 8401 United Plaza Blvd, PO Box 44213, Baton Rouge, LA 70809 or can be obtained from their web site www.lasers.state.la.us.

All full-time employees, who began state employment prior to age 60, are eligible to participate in the System. Benefits vest with 10 years of service. At retirement age, employees are entitled to annual benefits equal to 2.5 per cent of their highest consecutive 36 months average salary multiplied by their years of credited service plus \$300 for employees hired before July 31, 1986. Vested age 55 with 25 years of service, or (c) age 60 with 10 years of service. The System also provides death and disability benefits.

State law provides for fiscal year 2007, 2006, and 2005 contribute rates of 7.5% by employees. The contribution rate for the employer for 2007 and 2006 was 17.1% of annual covered payroll and 17.9% for the fiscal year ended June 30, 2005. Contribution requirement to the System are set by Statute and differ from the contribution requirement determined using actuarial methods. The contributions to the system for the years ended June 30, 2007, 2006, and 2005 were \$159,105; \$133,839; and \$114,383, respectively. The contributions equaled the required contributes set by Statute.

8. POSTRETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The Board may provide certain continuing health care and life insurance benefits for its retired employees. Substantially all of the Board employees become eligible for those benefits if they reach normal retirement age while working for the Board. Those benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly, 25% by the former employee and 75% by the Board. The Board's cost of providing retiree health care and life insurance benefits are recognized as expenditure when the monthly premiums are paid. For the year ended June 30, 2007, the cost of benefits for five retirees totaled \$38,729

LOUISIANA BOARD OF PHARMACY
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
Notes to Financial Statements

9. COMPENSATED ABSENCES

A. Annual and Sick Leave

The Louisiana Board of Pharmacy has the following policy related to annual and sick leave for the Board's unclassified clerical employees. The earning of annual and sick leave is based on the equivalent of full-time services. It is credited at the end of each month of regular service. Accrued unused annual and sick leave shall be carried forward to the succeeding calendar year without limitation; however, upon separation of service no sick leave will be paid and only 300 hours of annual leave will be paid. Annual leave must be applied for by the employee and may only be used when approved by the Board.

Changes in accrued leave for the current and long-term periods are as follows:

	Current	Long-Term	Total
Balance, July 1, 2006	\$ 12,500	81,761	94,261
Additions	25,940	27,263	53,203
Deletions	19,386	12,500	31,886
Balance, June 30, 2007	\$ <u>19,054</u>	<u>96,524</u>	<u>115,578</u>

10. RELATED PARTY TRANSACTIONS - NONE

11. BOARD MEMBERS' PER DIEM

The Board members are paid per diem of \$75 per day for each day in actual attendance of board meetings and for attending to official business of the Board as authorized by Act No. 767 of 1979 Louisiana Legislature.

12. OPERATING LEASE

The Board rents its office space and equipment. For the fiscal year ended June 30, 2007, the annual rent charged was \$130,873. Future minimum rental payments for each of the five subsequent fiscal years are as follows (if applicable):

	Office Space	Equipment Rental	Total
2008 \$	92,489	4,236	96,725
2009	16,546	4,236	20,782
2010	33,669	4,236	37,905
			0
\$	<u>142,704</u>	<u>12,708</u>	<u>155,412</u>

13. STATE APPROPRIATIONS.

After hurricane Katrina, a state of emergency was declared by the President of the United States of America. Funds were made available by a combination of federal and state assistance. Some of these funds were used to refund various pharmacies in our State for medications given to individuals that did not have proof of insurance or means to pay for the medications. The revenues and expenses are indicated in the statement of activities under non operating revenue (expenses).

SUPPLEMENTAL INFORMATION

LOUISIANA BOARD OF PHARMACY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2007

<u>Program Titles</u>	<u>CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>Department of Homeland Security</u>			
Disaster Grants - Public Assistance	97.036	PW2365 PW2365V1	\$ 8,576,994
Total federal assistance			\$ <u>8,576,994</u>

Basis of Presentation

The above schedule of expenditures of federal awards includes the federal grant activity of Louisiana Board of Pharmacy and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirement 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 basis financial statements.

LOUISIANA BOARD OF PHARMACY
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

Schedule of Board Members Per Diem
For the year ended June 30, 2007

Joseph L Adams	\$	2,850
Michele P Alderman		900
Patsy L. Angelle		750
Carl W. Aron		3,975
Brian A. Bond		2,250
Allen W. Cassidy Jr.		975
Rueben R. Dixon		1,800
Jospeh V. Greco		450
Jacqueline L. Hall		1,500
Alvin A. Haynes, Jr.		150
Larry J. Lantier, Jr		600
Marty R. McKay		2,175
Fred H. Mills, Jr		1,125
Richard J. Oubre		1,650
T. Morris Rabb		3,225
	\$	<u>24,375</u>

LOUISIANA BOARD OF PHARMACY
SUMMARY OF FINDINGS AND QUESTIONED COST
FOR THE YEAR ENDED JUNE 30, 2007

Summary of Auditor's Results

1. The auditor's report expressed an unqualified opinion on the financial statement of Louisiana Board of Pharmacy.
2. My audit disclosed no instances of material weaknesses in internal control, as required to be reported in accordance with *Government Auditing Standards*.
3. My audit disclosed no instances of noncompliance that were material to the financial statements, as required to be reported in accordance with *Governmental Auditing Standards*.
4. My audit disclosed no reportable conditions in internal control over major federal award programs during the audit of Louisiana Board of Pharmacy.
5. The auditor's report on compliance for the major federal award program for Louisiana Board of Pharmacy expresses an unqualified opinion on the major federal program.
6. There were no findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133.
7. The program tested as major program was:

U.S. Department of Health and Human Services
a. CFDA 97.036 Disaster Grants – Public Assistance
8. The dollar threshold used to distinguish between Type A and Type B programs was \$500,000 as specified under Section 520(b).
9. Louisiana Board of Pharmacy was considered a high-risk auditee under Section 530.

Findings – None

LOUISIANA BOARD OF PHARMACY
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

Summary of Prior year Findings and Questioned Costs
For the year ended June 30, 2006

None

LOUISIANA BOARD OF PHARMACY
STATE OF LOUISIANA
Annual Financial Statements
June 30, 2007

C O N T E N T S

TRANSMITTAL LETTER
AFFIDAVIT

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Schedules

1	Schedule of Per Diem Paid to Board Members
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3	Schedules of Long-Term Debt
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Appendix

- A Instructions for the Simplified Statement of Activities
- B Information for Note C - Deposits with Financial Institutions and Investments
- C Information for Note BB – Net assets Restricted by Enabling Legislation
- D Information for Note CC – Impairment of Capital Assets
- E Instructions for Schedule 16 - Cooperative Endeavors

**STATE OF LOUISIANA
LOUISIANA BOARD OF PHARMACY
BALANCE SHEET
AS OF JUNE 30, 2007**

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$	<u>896,017</u>
Investments		
Receivables (net of allowance for doubtful accounts)(Note U)		
Due from other funds (Note Y)		
Due from federal government		
Inventories		
Prepayments		
Notes receivable		
Other current assets		
Total current assets		<u>896,017</u>

NONCURRENT ASSETS:

Restricted assets (Note F):		
Cash		
Investments		<u>1,219,482</u>
Receivables		
Notes receivable		
Investments		
Capital assets (net of depreciation)(Note D)		
Land		
Buildings and improvements		
Machinery and equipment		<u>81,840</u>
Infrastructure		
Construction in progress		
Other noncurrent assets		
Total noncurrent assets		<u>1,301,322</u>
Total assets	\$	<u><u>2,197,339</u></u>

LIABILITIES

CURRENT LIABILITIES:

Accounts payable and accruals (Note V)	\$	<u>3,262</u>
Due to other funds (Note Y)		
Due to federal government		
Deferred revenues		
Amounts held in custody for others		
Other current liabilities		<u>1,263</u>
Current portion of long-term liabilities:		
Contracts payable		
Compensated absences payable (Note K)		<u>19,054</u>
Capital lease obligations - (Note J)		
Claims and litigation payable (Note K)		
Notes payable		
Liabilities payable from restricted assets (Note Z)		
Bonds payable		
Other long-term liabilities		
Total current liabilities		<u>23,579</u>

NON-CURRENT LIABILITIES:

Contracts payable		
Compensated absences payable (Note K)		<u>96,524</u>
Capital lease obligations (Note J)		
Claims and litigation payable (Note K)		
Notes payable		
Liabilities payable from restricted assets (Note Z)		
Bonds payable		
Other long-term liabilities		
Total long-term liabilities		<u>96,524</u>
Total liabilities		<u>120,103</u>

NET ASSETS

Invested in capital assets, net of related debt		<u>81,841</u>
Restricted for:		
Capital projects		
Debt service		
Unemployment compensation		
Other specific purposes		
Unrestricted		<u>1,995,395</u>
Total net assets		<u>2,077,236</u>
Total liabilities and net assets	\$	<u><u>2,197,339</u></u>

The accompanying notes are an integral part of this financial statement.

**STATE OF LOUISIANA
LOUISIANA BOARD OF PHARMACY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2007**

OPERATING REVENUES	
Sales of commodities and services	\$ _____
Assessments	_____
Use of money and property	_____
Licenses, permits, and fees	2,107,360
Other	69,307
Total operating revenues	2,176,667
OPERATING EXPENSES	
Cost of sales and services	1,812,717
Administrative	_____
Depreciation	28,879
Amortization	_____
Total operating expenses	1,841,596
Operating income(loss)	335,071
NON-OPERATING REVENUES(EXPENSES)	
State appropriations	8,576,994
Intergovernmental revenues (expenses)	_____
Taxes	_____
Use of money and property	95,630
Gain on disposal of fixed assets	_____
Loss on disposal of fixed assets	_____
Federal grants	_____
Interest expense	_____
Other revenue	_____
Other expense	(8,576,994)
Total non-operating revenues(expenses)	95,630
Income(loss) before contributions, extraordinary items & transfers	430,701
Capital contributions	_____
Extraordinary item - Loss on impairment of capital assets	_____
Transfers in	_____
Transfers out	_____
Change in net assets	430,701
Total net assets – beginning	1,646,535
Total net assets – ending	\$ 2,077,236

The accompanying notes are an integral part of this financial statement.

Statement B

STATE OF LOUISIANA
 LOUISIANA BOARD OF PHARMACY
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2007

See Appendix A for instructions

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
	Expenses	Charges for Services	Operating Grants and Contributions		Capital Grants and Contributions
TA	\$ 10,418,590	\$ 2,176,667	\$	\$	\$ (8,241,923)
General revenues:					
Taxes					
State appropriations					8,576,994
Grants and contributions not restricted to specific programs					
Interest					95,630
Miscellaneous					
Special items					
Extraordinary Item - Loss on Impairment of Capital Assets					
Transfers					
Total general revenues, special items, extraordinary losses, and transfers					8,672,624
Change in net assets					430,701
Net assets - beginning					1,646,535
Net assets - ending					\$ 2,077,236

**STATE OF LOUISIANA
LOUISIANA BOARD OF PHARMACY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2007**

Cash flows from operating activities

Cash received from customers	\$	<u>2,176,667</u>	
Cash payments to suppliers for goods and services		<u>(654,711)</u>	
Cash payments to employees for services		<u>(1,141,928)</u>	
Payments in lieu of taxes			
Internal activity-payments to other funds			
Claims paid to outsiders			
Other operating revenues(expenses)			
Net cash provided(used) by operating activities	\$		<u>380,028</u>

Cash flows from non-capital financing activities

State appropriations			
Proceeds from sale of bonds			
Principal paid on bonds			
Interest paid on bond maturities			
Proceeds from issuance of notes payable			
Principal paid on notes payable			
Interest paid on notes payable			
Operating grants received			
Transfers In			
Transfers Out			
Other			
Net cash provided(used) by non-capital financing activities			<u>-</u>

Cash flows from capital and related financing activities

Proceeds from sale of bonds			
Principal paid on bonds			
Interest paid on bond maturities			
Proceeds from issuance of notes payable			
Principal paid on notes payable			
Interest paid on notes payable			
Acquisition/construction of capital assets		<u>(40,287)</u>	
Proceeds from sale of capital assets			
Capital contributions			
Other			
Net cash provided(used) by capital and related financing activities			<u>(40,287)</u>

Cash flows from investing activities

Purchases of investment securities		<u>(481,524)</u>	
Proceeds from sale of investment securities		<u>790,476</u>	
Interest and dividends earned on investment securities		<u>74,183</u>	
Net cash provided(used) by investing activities			<u>383,135</u>

Net increase(decrease) in cash and cash equivalents

722,876

Cash and cash equivalents at beginning of year

173,141

Cash and cash equivalents at end of year

\$ 896,017

The accompanying notes are an integral part of this statement.

Statement D

**STATE OF LOUISIANA
 LOUISIANA BOARD OF PHARMACY
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2007**

Reconciliation of operating income(loss) to net cash provided(used) by operating activities:

Operating income(loss)		\$ <u>335,071</u>
Adjustments to reconcile operating income(loss) to net cash		
Depreciation/amortization	<u>28,879</u>	
Provision for uncollectible accounts	<u> </u>	
Other	<u> </u>	
Changes in assets and liabilities:		
(Increase)decrease in accounts receivable, net	<u> </u>	
(Increase)decrease in due from other funds	<u> </u>	
(Increase)decrease in prepayments	<u> </u>	
(Increase)decrease in inventories	<u> </u>	
(Increase)decrease in other assets	<u> </u>	
Increase(decrease) in accounts payables and accruals	<u>(4,042)</u>	
Increase(decrease) in compensated absences payable	<u>21,317</u>	
Increase(decrease) in due to other funds	<u> </u>	
Increase(decrease) in deferred revenues	<u> </u>	
Increase(decrease) in other liabilities	<u>(1,197)</u>	
Net cash provided(used) by operating activities		\$ <u><u>380,028</u></u>

Schedule of noncash investing, capital, and financing activities:

Borrowing under capital lease	\$ <u> </u>
Contributions of fixed assets	<u> </u>
Purchases of equipment on account	<u> </u>
Asset trade-ins	<u> </u>
Other (specify)	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
Total noncash investing, capital, and financing activities:	\$ <u><u>-</u></u>

(Concluded)

The accompanying notes are an integral part of this statement.

Statement D

**STATE OF LOUISIANA
LOUISIANA BOARD OF PHARMACY
Notes to the Financial Statement
As of and for the year ended June 30, 2007**

INTRODUCTION

The Louisiana Board of Pharmacy (BTA) was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute 37:1171. The following is a brief description of the operations of Louisiana Board of Pharmacy (BTA) which includes the parish/parishes in which the (BTA) is located:

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF ACCOUNTING

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of Louisiana Board of Pharmacy (BTA) present information only as to the transactions of the programs of the Louisiana Board of Pharmacy (BTA) as authorized by Louisiana statutes and administrative regulations.

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the Louisiana Board of Pharmacy (BTA) are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration – Office of Statewide Reporting and Accounting Policy as follows:

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

B. BUDGETARY ACCOUNTING

The appropriations made for the operations of the various programs of the Louisiana Board of Pharmacy (BTA) are annual lapsing appropriations.

1. The budgetary process is an annual appropriation valid for one year.
2. The agency is prohibited by statute from over expending the categories established in the budget.
3. Budget revisions are granted by the Joint Legislative Budget Committee, a committee of the Louisiana Legislature. Interim emergency appropriations may be granted by the Interim Emergency Board.
4. The budgetary information included in the financial statements include the original appropriation plus subsequent amendments as follows:

**STATE OF LOUISIANA
 LOUISIANA BOARD OF PHARMACY
 Notes to the Financial Statement
 As of and for the year ended June 30, 2007**

	<u>APPROPRIATIONS</u>
Original approved budget	\$ <u>1,681,700</u>
Amendments:	
Amendment 1	<u>955,800</u>
Amendment 2	<u>(708,120)</u>
Final approved budget	\$ <u>1,929,380</u>

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (If all agency cash and investments are deposited in the State Treasury, disregard Note C.) See Appendix B for information related to Note.

1. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the Louisiana Board of Pharmacy (BTA) may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the (BTA) may invest in time certificates of deposit in any bank domiciled or having a branch office in the state of Louisiana; savings accounts or shares of savings and loan associations and savings banks, and in share accounts and share certificate accounts of federally or state chartered credit unions.

For the purpose of the Statement of Cash Flows, all highly liquid investments (including restricted assets with a maturity of three months or less when purchased) are considered to be cash equivalents.

Deposits in bank accounts 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 pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer.

Beginning in FY 2004, the implementation of GASB Statement 40 (which amended GASB Statement 3) eliminated the requirement to disclose all deposits by three categories of risk. GASB Statement 40 requires only the disclosure of deposits considered to be exposed to custodial credit risk. An entity's deposits are exposed to custodial credit risk if the deposit balances are either 1) uninsured and uncollateralized, 2) uninsured and collateralized with securities held by the pledging financial institution, or 3) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the entity's name.

The deposits at June 30, 2007, consisted of the following:

**STATE OF LOUISIANA
LOUISIANA BOARD OF PHARMACY
Notes to the Financial Statement
As of and for the year ended June 30, 2007**

	<u>Cash</u>	<u>Certificates of Deposit</u>	<u>Other (Describe)</u>	<u>Total</u>
Balance per agency books	\$ 896,017	\$ _____	\$ _____	\$ 896,017
Deposits in bank accounts per bank	\$ _____	\$ _____	\$ _____	\$ -
Bank balances of deposits exposed to custodial credit risk				
a. Deposits not insured and uncollateralized	\$ _____	\$ _____	\$ _____	\$ -
b. Deposits not insured and collateralized with securities held by the pledging institution.	\$ _____	\$ _____	\$ _____	\$ -
c. Deposits not insured and collateralized with securities held by the pledging institution's trust department or agent <u>but not in the entity's name.</u>	\$ 925,385	\$ _____	\$ _____	\$ 925,385

NOTE: The "Deposits in bank accounts per bank" will not necessarily equal the "Balance per agency books" due to outstanding items.

The following is a breakdown by banking institution, program, account number, and amount of the "Deposits in bank accounts per bank" balances shown above:

<u>Banking institution</u>	<u>Program</u>	<u>Amount</u>
1. <u>Hancock Bank</u>	<u>Operating Acct</u>	\$ <u>545,850</u>
2. <u>Hancock Bank</u>	<u>Operating Acct</u>	<u>302,322</u>
3. <u>Hancock Bank</u>	<u>Relief Funds</u>	<u>77,213</u>
4. _____	_____	_____
Total		\$ <u><u>925,385</u></u>

Cash in State Treasury and petty cash are not required to be reported in the note disclosure. However, to aid in reconciling amounts reported on the Balance Sheet to amounts reported in this note, list below any cash in treasury and petty cash that are included on the Balance Sheet.

Cash in State Treasury	\$ _____
Petty cash	\$ _____

2. INVESTMENTS

The Louisiana Board of Pharmacy does maintain investment accounts as authorized by 71:1.1501.

Custodial Credit Risk

Investments can be exposed to custodial credit risk if the securities underlying the investment are uninsured and unregistered, not registered in the name of the entity, and are held either by the counterparty, or the counterparty's trust department or agent but not in the entity's name. Repurchase agreements are not subject to credit risk if the securities underlying the repurchase agreement are exempt from credit risk disclosure. Using the table on the next page, list each type of investment disclosing the total carrying amounts and market values, and any amounts exposed to custodial credit risk.

**STATE OF LOUISIANA
LOUISIANA BOARD OF PHARMACY
Notes to the Financial Statement
As of and for the year ended June 30, 2007**

Beginning in FY 2004, the implementation of GASB Statement 40 (which amended GASB Statement 3) eliminated the requirement to disclose all investments by three categories of risk. GASB Statement 40 requires only the separate disclosure of investments that are exposed to custodial credit risk. The total reported amount and fair value columns still must be reported for total investments regardless of exposure to custodial credit risk. Those investments exposed to custodial credit risk are reported by type in one of two separate columns depending upon whether they are held by a counterparty, or held by a counterparty's trust department or agent not in the entity's name.

<u>Type of Investment</u>	<u>Investments Exposed to Custodial Credit Risk</u>		<u>All Investments Regardless of Custodial Credit Risk Exposure</u>	
	<u>Uninsured, *Unregistered, and Held by Counterparty</u>	<u>Uninsured, *Unregistered, and Held by Counterparty's Trust Dept. or Agent Not in Entity's Name</u>	<u>Reported Amount Per Balance Sheet</u>	<u>Fair Value</u>
Repurchase agreements	\$ _____	\$ _____	\$ _____	\$ _____
U.S. Government securities	_____	_____	_____	_____
U.S. Agency Obligations	_____	_____	1,078,737	1,078,737
Common & preferred stock	_____	_____	_____	_____
Commercial paper	_____	_____	_____	_____
Corporate bonds	_____	_____	_____	_____
Other: (identify)	_____	_____	_____	_____
Accrued interest	_____	_____	12,510	12,510
Treasury Sec	_____	_____	128,235	128,235
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
Total investments	\$ _____ - \$ _____	\$ _____ - \$ _____	\$ 1,219,482	\$ 1,219,482

*unregistered - not registered in the name of the government or entity

3. DERIVATIVES NA

4. CREDIT RISK, INTEREST RATE, CONCENTRATION OF CREDIT RISK, AND FOREIGN CURRENCY RISK DISCLOSURES NA

B. Interest Rate Risk of Debt Investments

1. Disclose the interest rate risk of debt investments by listing the investment type, total fair value, and breakdown of maturity in years for each debt investment type. (Note – This is the prescribed method, segmented time distribution, for the CAFR. Also, total debt investments reported in this table should equal total debt investments reported in Section A – Credit Risk of Debt Investments.)

**STATE OF LOUISIANA
LOUISIANA BOARD OF PHARMACY
Notes to the Financial Statement
As of and for the year ended June 30, 2007**

<u>Type of Debt Investment</u>	<u>Investment Maturities (In Years)</u>				
	<u>Fair Value</u>	<u>Less Than 1</u>	<u>1 - 5</u>	<u>6 - 10</u>	<u>Greater Than 10</u>
U.S. Government obligations	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
U.S. Agency obligations	<u>1,078,737</u>	<u>59,642</u>	<u>923,001</u>	<u>96,094</u>	_____
U.S. Treasury obligations	_____	_____	_____	_____	_____
Mortgage backed securities	_____	_____	_____	_____	_____
Collateralized mortgage obligations	_____	_____	_____	_____	_____
Corporate bonds	_____	_____	_____	_____	_____
Other bonds	_____	_____	_____	_____	_____
Mutual bond funds	_____	_____	_____	_____	_____
Other Accrued Interest	<u>12,510</u>	<u>12,510</u>	_____	_____	_____
Treasury Sec	<u>128,235</u>	<u>128,235</u>	_____	_____	_____
Total debt investments	<u>\$ 1,219,482</u>	<u>\$ 200,387</u>	<u>\$ 923,001</u>	<u>\$ 96,094</u>	<u>\$ -</u>

2. List the fair value and terms of any debt investments that are highly sensitive to changes in interest rates due to the terms (e.g. coupon multipliers, reset dates, etc.) of the investment. See Appendix B for examples of debt investments that are highly sensitive to changes in interest rates.

<u>Debt Investment</u>	<u>Fair Value</u>	<u>Terms</u>
_____	\$ _____	_____
_____	_____	_____
_____	_____	_____
Total	\$ _____	_____

C. Concentration of Credit Risk

List, by amount and issuer, investments in any one issuer that represents 5% or more of total external investments (not including U.S. government securities, mutual funds, and investment pools).

<u>Issuer</u>	<u>Amount</u>	<u>% of Total Investments</u>
_____	\$ _____	_____
_____	_____	_____
_____	_____	_____
Total	\$ _____	_____

D. Foreign Currency Risk

Disclose the U.S. dollar balances of any deposits or investments that are exposed to foreign currency risk (deposits or investments denominated in foreign currencies). List by currency denomination and investment type, if applicable.

**STATE OF LOUISIANA
 LOUISIANA BOARD OF PHARMACY
 Notes to the Financial Statement
 As of and for the year ended June 30, 2007**

<u>Foreign Currency</u>	<u>Fair Value in U.S. Dollars</u>	
	<u>Bonds</u>	<u>Stocks</u>
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
Total	\$ _____ -	\$ _____ -

5. POLICIES

Briefly describe the deposit and/or investment policies related to the custodial credit risk, credit risk of debt investments, concentration of credit risk, interest rate risk, and foreign currency risk disclosed in this note. If no policy exists concerning the risks disclosed, please state that fact.

6. OTHER DISCLOSURES REQUIRED FOR INVESTMENT

- a. Investments in pools managed by other governments or mutual funds _____
- b. Securities underlying reverse repurchase agreements _____
- c. Unrealized investment losses _____
- d. Commitments as of _____ (fiscal close), to resell securities under yield maintenance repurchase agreements:
 - 1. Carrying amount and market value at June 30 of securities to be resold _____
 - 2. Description of the terms of the agreement _____
- e. Losses during the year due to default by counterparties to deposit or investment transactions _____
- f. Amounts recovered from prior-period losses which are not shown separately on the balance sheet _____

Legal or Contractual Provisions for Reverse Repurchase Agreements

- g. Source of legal or contractual authorization for use of reverse repurchase agreements _____
- h. Significant violations of legal or contractual provisions for reverse repurchase agreements that occurred during the year _____

Reverse Repurchase Agreements at Year-End

**STATE OF LOUISIANA
LOUISIANA BOARD OF PHARMACY
Notes to the Financial Statement
As of and for the year ended June 30, 2007**

- i. Credit risk related to the reverse repurchase agreements (other than yield maintenance agreements) outstanding at balance sheet date, that is, the aggregate amount of reverse repurchase agreement obligations including accrued interest compared to aggregate market value of the securities underlying those agreements including interest _____
- j. Commitments on _____ (fiscal close) to repurchase securities under yield maintenance agreements _____
- k. Market value on _____ (fiscal close) of the securities to be repurchased _____
- l. Description of the terms of the agreements to repurchase _____
- m. Losses recognized during the year due to default by counterparties to reverse repurchase agreements _____
- n. Amounts recovered from prior-period losses which are not separately shown on the operating statement _____

Fair Value Disclosures

- o. Methods and significant assumptions used to estimate fair value of investments, if fair value is not based on quoted market prices _____
- p. Basis for determining which investments, if any, are reported at amortized cost _____
- q. For investments in external investment pools that are not SEC-registered, a brief description of any regulatory oversight for the pool _____
- r. Whether the fair value of your investment in the external investment pool is the same as the value of the pool shares _____
- s. Any involuntary participation in an external investment pool _____
- t. If you are unable to obtain information from a pool sponsor to determine the fair value of your investment in the pool, methods used and significant assumptions made in determining fair value and the reasons for having had to make such an estimate _____
- u. Any income from investments associated with one fund that is assigned to another fund _____

D. CAPITAL ASSETS-INCLUDING CAPITAL LEASE ASSETS

The fixed assets used in the Special Purpose Government engaged only in Business-Type Activities are included on the balance sheet of the entity and are capitalized at cost. Depreciation of all exhaustible fixed assets used by the entity are charged as an expense against operations. Accumulated depreciation is reported on the balance sheet. Depreciation for financial reporting purposes is computed by the straight-line method over the useful lives of the assets.

**STATE OF LOUISIANA
LOUISIANA BOARD OF PHARMACY
Notes to the Financial Statement
As of and for the year ended June 30, 2007**

	Year ended June 30, 2007						Balance 6/30/2007
	Balance 6/30/2006	Prior Period Adjustment	Adjusted Balance 6/30/2006	Additions	Transfers*	Retirements	
Capital assets not being depreciated							
Land	\$	\$	\$	--	\$	\$	\$
Non-depreciable land improvements				--			--
Capitalized collections				--			--
Construction in progress				--			--
Total capital assets not being depreciated	\$	--	\$	--	\$	--	\$
Other capital assets							
Furniture, fixtures, and equipment	\$ 168,824	\$	\$ 168,824	\$ 40,287	\$	\$ (6,379)	\$ 202,732
Less accumulated depreciation	(98,391)		(98,391)	(28,879)		6,379	(120,891)
Total furniture, fixtures, and equipment	70,433	--	70,433	11,408	--	--	81,841
Buildings and improvements			--				--
Less accumulated depreciation			--				--
Total buildings and improvements	--	--	--	--	--	--	--
Depreciable land improvements			--				--
Less accumulated depreciation			--				--
Total depreciable land improvements	--	--	--	--	--	--	--
Infrastructure			--				--
Less accumulated depreciation			--				--
Total infrastructure	--	--	--	--	--	--	--
Total other capital assets	\$ 70,433	\$ --	\$ 70,433	\$ 11,408	\$ --	\$ --	\$ 81,841
Capital Asset Summary:							
Capital assets not being depreciated	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Other capital assets, at cost	168,824	--	168,824	40,287	--	(6,379)	202,732
Total cost of capital assets	168,824	--	168,824	40,287	--	(6,379)	202,732
Less accumulated depreciation	(98,391)	--	(98,391)	(28,879)	--	6,379	(120,891)
Capital assets, net	\$ 70,433	\$ --	\$ 70,433	\$ 11,408	\$ --	\$ --	\$ 81,841

* Should be used only for those completed projects coming out of construction-in-progress to fixed assets; not associated with transfers reported elsewhere in this packet.

E. INVENTORIES NA

F. RESTRICTED ASSETS NA

**STATE OF LOUISIANA
LOUISIANA BOARD OF PHARMACY
Notes to the Financial Statement
As of and for the year ended June 30, 2007**

G. LEAVE

1. COMPENSATED ABSENCES

The Louisiana Board of Pharmacy has the following policy on annual and sick leave:

An example disclosure follows:

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expenditure in the fund when leave is actually taken; it is recognized in the enterprise funds when the leave is earned. The cost of leave privileges applicable to general government operations not requiring current resources is recorded in long-term obligations.

2. COMPENSATORY LEAVE

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned (K-time). Upon termination or transfer, an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. Compensation paid will be based on the employees' hourly rate of pay at termination or transfer. The liability for accrued payable compensatory leave at June 30, 2007 computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards, Section C60.105 is estimated to be \$115,578. The leave payable is recorded in the accompanying financial statements.

H. RETIREMENT SYSTEM

Substantially all of the employees of the (BTA) are members of the Louisiana State Employees Retirement System (LASERS), a single employer defined benefit pension plan. The System is a statewide public employee retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees.

All full-time (BTA) employees are eligible to participate in the System unless they elect to continue as a contributing member in any other retirement system for which they remain eligible for membership. Certain elected officials and officials appointed by the governor may, at their option, become members of LASERS. Normal benefits vest with 10 years of service. Generally, retirement age employees are entitled to annual benefits equal to \$300 plus 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service except for members eligible to begin participation in the Defined Benefit Plan (DBP) on or after July 1, 2006. Act 75 of the 2005 Regular Session changes retirement eligibility and final average compensation for members who are eligible to begin participation in the DBP beginning July 1, 2006. Retirement eligibility for these members is limited to age 60, or thereafter, upon attainment of ten years of creditable service. Final average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment.

Vested employees eligible to begin participation in the DBP before July 1, 2006 are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. In addition, these vested employees have the option of reduced benefits at any age with 20 years of service. Those hired on or after 7/1/2006 have only a single age option. They cannot retire until age 60 with a minimum of 10 years of service. The System also provides death and disability benefits and deferred benefit options, within qualifications and amounts define by statute. Benefits are established or amended by state statute. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. For the full

**STATE OF LOUISIANA
LOUISIANA BOARD OF PHARMACY
Notes to the Financial Statement
As of and for the year ended June 30, 2007**

description of the LASERS defined benefit plan, please refer to LASERS 2006 Financial Statements, specifically footnotes A- Plan Description and C-Contributions. That report may be obtained by writing to the Louisiana State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0608 or (800) 256-3000. The footnotes to the Financial Statements contain additional details and are also available on-line at: http://www.lasers.state.la.us/PDFs/Publications and Reports/Fiscal Documents/Comprehensive Financial Reports/Comprehensive%20Financial%20Reports_06.pdf

Members are required by state statute to contribute with the single largest group (“regular members”) contributing 7.5% of gross salary, and the (BTA) is required to contribute at an actuarially determined rate as required by R.S. 11:102. The contribution rate for the fiscal year ended June 30, 2007 and 2006 was 17.1% of annual covered payroll from the 17.9 required in fiscal years ended June 30, 2005. The (BTA) contributions to the System for the years ending June 30, 2007, 2006, and 2005, were \$159,105, \$133,839, and \$114,383, respectively, equal to the required contributions for each year.

I. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS NA

J. LEASES

NOTE: Where we are requesting five-year amounts, please list the total amount (sum) for the five-year period, not the annual amount for each of the five years.)

1. OPERATING LEASES

The total payments for operating leases during fiscal year June 30, 2007 amounted to \$130,873. A schedule of payments for operating leases follows:

Nature of lease	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013-2017	FY2018-2022
Office Rent	\$ 92,489	\$ 116,546	\$ 33,669	\$	\$	\$	\$
Office Equipment	4,236	4,236	4,236				
Total	\$ 96,725	\$ 120,782	\$ 37,905	\$ -	\$ -	\$ -	\$ -

- 2. CAPITAL LEASES NA
- 3. LESSOR DIRECT FINANCING LEASES NA
- 4. LESSOR – OPERATING LEASE NA

**STATE OF LOUISIANA
LOUISIANA BOARD OF PHARMACY
Notes to the Financial Statement
As of and for the year ended June 30, 2007**

T. SHORT-TERM DEBT NONE

U. DISAGGREGATION OF RECEIVABLE BALANCES NA

Fund (gen. fund, gas tax fund, etc.)	Customer Receivables	Taxes	Receivables from other Governments	Other Receivables	Total Receivables
	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
					-
					-
Gross receivables	\$ -	\$ -	\$ -	\$ -	\$ -
Less allowance for uncollectible accounts	-	-	-	-	-
Receivables, net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Amounts not scheduled for collection during the subsequent year	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

Receivables at June 30, 20__, were as follows:

V. DISAGGREGATION OF PAYABLE BALANCES NA

Payables at June 30, 2007, were as follows:

Fund (gen. fund, gas tax fund, etc.)	Vendors	Salaries and Benefits	Accrued Interest	Other Payables	Total Payables
	\$ 3,262	\$ _____	\$ _____	\$ _____	\$ 3,262
					-
					-
Total payables	<u>\$ 3,262</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,262</u>

W. SUBSEQUENT EVENTS NONE

X. SEGMENT INFORMATION NA

Y. DUE TO/DUE FROM AND TRANSFERS NA

Z. LIABILITIES PAYABLE FROM RESTRICTED ASSETS NA

**STATE OF LOUISIANA
 LOUISIANA BOARD OF PHARMACY
 Notes to the Financial Statement
 As of and for the year ended June 30, 2007**

AA. PRIOR-YEAR RESTATEMENT OF NET ASSETS NA

The following adjustments were made to restate beginning net assets for June 30, 20__.

Ending Net Assets 6/30/06 as reported to OSRAP on PY AFR	Adjustments to ending net assets 6/30/06 (after AFR was submitted to OSRAP) + or (-)	Restatements (Adjustments to beg. balance 7/1/06) + or (-)	Beg net assets @ 7/1/06 as restated
\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Each adjustment must be explained in detail on a separate sheet.

*Include all audited adjustments accepted by the agency or entity.

BB. NET ASSETS RESTRICTED BY ENABLING LEGISLATION (GASB STATEMENT 46) NA

CC. IMPAIRMENT OF CAPITAL ASSETS NA

DD. EMPLOYEE TERMINATION BENEFITS NA

**STATE OF LOUISIANA NA
 LOUISIANA BOARD OF PHARMACY
 SCHEDULE OF CAPITAL LEASE AMORTIZATION
 For The Year Ended June 30, 20__**

Fiscal Year Ending:	<u>Payment</u>	<u>Interest</u>	<u>Principal</u>	Balance
2008	\$ _____	\$ _____	\$ _____	\$ _____ --
2009	_____	_____	_____	_____ --
2010	_____	_____	_____	_____ --
2011	_____	_____	_____	_____ --
2012	_____	_____	_____	_____ --
2013-2017	_____	_____	_____	_____ --
2018-2022	_____	_____	_____	_____ --
2023-2027	_____	_____	_____	_____ --
2028-2032	_____	_____	_____	_____ --
 Total	 \$ _____ --	 \$ _____ --	 \$ _____ --	 \$ _____ --

**STATE OF LOUISIANA NA
 LOUISIANA BOARD OF PHARMACY
 SCHEDULE OF NOTES PAYABLE AMORTIZATION
 For The Year Ended June 30, 20__**

Fiscal Year <u>Ending:</u>	<u>Principal</u>	<u>Interest</u>
2008	\$ _____	\$ _____
2009	_____	_____
2010	_____	_____
2011	_____	_____
2012	_____	_____
2013-2017	_____	_____
2018-2022	_____	_____
2023-2027	_____	_____
2028-2032	_____	_____
 Total	 \$ _____ --	 \$ _____ --

**STATE OF LOUISIANA NA
 LOUISIANA BOARD OF PHARMACY
 SCHEDULE OF BONDS PAYABLE AMORTIZATION
 For The Year Ended June 30, 20__**

Fiscal Year Ending:	<u>Principal</u>	<u>Interest</u>
2008	\$ _____	\$ _____
2009	_____	_____
2010	_____	_____
2011	_____	_____
2012	_____	_____
2013	_____	_____
2014	_____	_____
2015	_____	_____
2016	_____	_____
2017	_____	_____
2018	_____	_____
2019	_____	_____
2020	_____	_____
2021	_____	_____
2022	_____	_____
2023	_____	_____
2024	_____	_____
2025	_____	_____
2026	_____	_____
2027	_____	_____
2028	_____	_____
2029	_____	_____
2030	_____	_____
2031	_____	_____
2032	_____	_____
 Total	 \$ _____ --	 \$ _____ --

STATE OF LOUISIANA

(BTA)
 SCHEDULE OF CURRENT YEAR REVENUE AND EXPENSES
 BUDGETARY COMPARISON OF CURRENT APPROPRIATION
 NON-GAAP BASIS
 June 30, 2007

Financial Statement	Adjustments	NA ISIS Appropriation Report-08/14/07	Revised Budget	Variance Positive/(Negative)
Revenues:				
Intergovernmental Revenues	\$	\$	\$	\$
Federal Funds				
Sales of Commodities and Services				
Other				
Total appropriated revenues				
Expenses:				
Cost of goods sold	\$	\$	\$	\$
Personal services				
Travel				
Operating Services				
Supplies				
Professional services				
Other charges				
Capital outlay				
Interagency transfers				
Debt Service				
Other:				
Bad debts				
Depreciation				
Compensated absences				
Interest Expense				
Other (Identify)				
Total appropriated expenses				
Excess (deficiency) of revenues over expenses (budget basis)	\$	\$	\$	\$

Note : Schedule 5 is only applicable for those entities whose budget is appropriated by the legislature

STATE OF LOUISIANA

(BTA)

**SCHEDULE OF CURRENT YEAR REVENUE AND EXPENSES
BUDGETARY COMPARISON OF CURRENT APPROPRIATION
NON-GAAP BASIS**

June 30, 2007

NA

Excess (deficiency) of revenues over expenses (budget basis)	\$ _____
Reconciling items:	
Cash carryover	_____
Use of money and property (interest income)	_____
Depreciation	_____
Compensated absences adjustment	_____
Capital outlay	_____
Disposal of fixed assets	_____
Change in inventory	_____
Interest expense	_____
Bad debts expense	_____
Prepaid expenses	_____
Principal payment	_____
Loan Principal Repayments included in Revenue	_____
Loan Disbursements included in Expenses	_____
Accounts receivable adjustment	_____
Accounts payable/estimated liabilities adjustment	_____
Other	_____
Change in Net Assets	\$ _____ -

Note : Schedule 5 is only applicable for entities whose budget is appropriated by the legislature

STATE OF LOUISIANA
 LOUISIANA BOARD OF PHARMACY
 COMPARISON FIGURES

To assist OSRAP in determining the reason for the change in financial position for the State, please complete the schedule below. If the change is greater than \$1 million, explain the reason for the change.

	<u>2007</u>	<u>2006</u>	<u>Difference</u>	<u>Percentage Change</u>
1) Revenues	\$ 2,176,667	\$ 1,629,124	\$ 547,543	\$ 33.61%
Expenses	1,841,596	1,535,501	306,095	19.93%
2) Capital assets	202,732	168,823	38,909	20.08%
Long-term debt			-	
Net Assets	2,077,236	1,646,535	430,701	26.16%
Explanation for change:	_____			

