

RECEIVED
05 SEP -1 PM 2:12

LOUISIANA BOARD OF
VETERINARY MEDICINE
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

REVIEW / ATTESTATION

YEAR ENDED JUNE 30, 2005

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 9/14/05

LOUISIANA BOARD OF VETERINARY MEDICINE
STATE OF LOUISIANA
Annual Financial Statements
June 30, 2005

C O N T E N T S

	<u>Statement</u>	<u>Page</u>
Independent Accountants' Review Report		1
Independent Accountants' Agreed-Upon Procedure Report		2-4
Louisiana Attestation Questionnaire		5-6
Summary Schedule of Prior Findings		7
Schedule of Board Members' Per Diem		8
Affidavit		9
<u>Statements</u>		
Balance Sheet	A	10
Statement of Revenues, Expenses, and Changes in Fund Net Assets	B	11
Statement of Activities	C	12
Statement of Cash Flows	D	13-14
Notes to the Financial Statements		15-20
A. Summary of Significant Accounting Policies		
B. Budgetary Accounting		
C. Deposits with Financial Institutions and Investments		
D. Capital Assets		
E. Inventories		
F. Restricted Assets		
G. Leave		
H. Retirement System		
I. Post Retirement Health Care and Life Insurance Benefits		
J. Leases		
K. Long-Term Liabilities		
L. Litigation		
M. Related Party Transactions		
N. Accounting Changes		
O. In-Kind Contributions		
P. Defeased Issues		
Q. Cooperative Endeavors		
R. Government-Mandated Nonexchange Transactions (Grants)		
S. Violations of Finance-Related Legal or Contractual Provisions		
T. Short-Term Debt		
U. Disaggregation of Receivable Balances		
V. Disaggregation of Payable Balances		
W. Subsequent Events		
X. Segment Information		
Y. Due to/Due from and Transfers		
Z. Liabilities Payable from Restricted Assets		
AA. Prior-Year Restatement of Net Assets		

(Continued)

LOUISIANA BOARD OF VETERINARY MEDICINE
STATE OF LOUISIANA
Annual Financial Statements
June 30, 2005

CONTENTS
(Continued)

	<u>Page</u>
Schedules	21-32
1	Schedule of Per Diem Paid Board Members
2	Schedule of State Funding
3	Schedules of Long-Term Debt
4	Schedules of Long-Term Debt Amortization
5	Schedule of Current Year Revenue and Expenses – Budgetary Comparison of Current Appropriation – Non GAAP Basis
15	Schedule of Comparison Figures

DYER & VICKNAIR

(CERTIFIED PUBLIC ACCOUNTANTS)

ERIC J. VICKNAIR, CPA (APC)

GLYNN R. DYER, CPA (APC), (RETIRED)

Independent Accountants' Review Report

Louisiana Board of Veterinary Medicine
Department of Health and Hospitals
State of Louisiana
Baton Rouge, LA

We have reviewed the accompanying Division of Administration, Office of Statewide Reporting and Accounting Policy's Annual Fiscal Report (AFR) of the business type activities of the Board of Veterinary Medicine of the State of Louisiana as of and for the year ended June 30, 2005, which collectively comprise the Louisiana Board of Veterinary Medicine's basic financial statements as listed under statements in the table of contents. These financial statements reported in the AFR are the responsibility of the Louisiana Board of Veterinary Medicine's management.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards* issued by the comptroller General of the United States of America. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the Board's financial statements. Accordingly we did not express such an opinion.

Based on our review, nothing came to our attention that caused us to believe that the financial statements of the Louisiana Board of Veterinary Medicine for the year ended June 30, 2005, are not presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report, dated August 19, 2005, on the results of our agreed-upon procedures.

Baton Rouge, Louisiana
August 19, 2005



DYER & VICKNAIR

(CERTIFIED PUBLIC ACCOUNTANTS)

ERIC J. VICKNAIR, CPA (APC)

GLYNN R. DYER, CPA (APC), (RETIRED)

Independent Accountants' Agreed-Upon Procedures Report

To the Louisiana Board of Veterinary Medicine

We have performed the procedures included in the *Louisiana Audit Guide* and enumerated below, which were agreed to by the management of the Louisiana Board of Veterinary Medicine and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Louisiana Board of Veterinary Medicine compliance with certain laws and regulations during the year ended June 30, 2005, included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$20,000, or public works exceeding \$100,000 and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law) or R.S. 39:1551-39:1755 (the state procurement code, whichever is applicable).

No expenditures were made during the year for materials or supplies that exceeded \$20,000.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

(SEND ALL CORRESPONDENCE TO THE BATON ROUGE ADDRESS)

2933 BRAKLEY DRIVE, SUITE B
564 FERDINAND STREET

BATON ROUGE, LOUISIANA 70816
ST. FRANCISVILLE, LOUISIANA 70775

PHONE: (225) 292-1040
FAX: (225) 292-1041
PHONE: (225) 635-4204

DYER & VICKNAIR

(CERTIFIED PUBLIC ACCOUNTANTS)

None of the employees included on the list of employees provided by management (in agreed-upon procedure (3)) appeared on the list provided by management in agreed-upon procedure (2).

Budgeting

5. Obtained a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget and the one amendment to the budget during the year.

6. Trace the budget adoption and amendments to the minute book.

We traced the adoption of the original budget to the minutes of a meeting held on December 11, 2003, which indicated that the budget had been adopted by the commissioners of the Louisiana Board of Veterinary Medicine with no opposition.

We traced the adoption of the amendment to the budget to the minutes of a meeting held on December 9, 2004, which indicated the amendment had been adopted by the commissioners of the Louisiana Board of Veterinary Medicine with no opposition.

7. Compare the expenditures of the final budget to actual expenditures to determine if actual expenditures exceed budgeted amounts by 10% or more per category or 5% in total.

We compared the expenditures of the final budget to actual expenditures. Actual expenditures for the year did not exceed budgeted amounts by more than 10% per category or 5% in total.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

- a. trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that the payment was for the proper amount and made to the correct payee.

- b. determine if payments were properly coded to the correct fund and general ledger account; and

All of the six payments were properly coded to the correct general ledger account

- c. determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approval by the Administrative Director.

DYER & VICKNAIR

(CERTIFIED PUBLIC ACCOUNTANTS)

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:13 (the open meetings law).

The Louisiana Board of Veterinary Medicine is only required to post a notice of each meeting and the accompanying agenda on the door of the Board's office building. Management has asserted that such documents were properly posted and we found evidence supporting such assertion.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of bank deposit slips for the period under examination and noted that no deposits appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees, which may constitute bonuses, advance, or gifts.

A reading of the minutes of the Board for the year indicated no approval for the payments noted. We also inspected payroll records for the year and noted no instances, which would indicate payments to employees, which would constitute bonuses, advances, or gifts.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Louisiana Board of Veterinary Medicine and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

August 19, 2005
Baton Rouge, Louisiana

Dyer & Vicknair

**LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of State Entities)**

August 19, 2005

Dyer & Vicknair, CPAs
2933 Brakley Drive Suite 8
Baton Rouge, La 70816

In connection with your review of our financial statements as of June 30, 2005 and year ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of June 2, 2005.

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes No

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes No

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes No

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14), Licensing Agency Budget Act (LSA-RS 39:1331-42), or the budget requirements of LSA-RS 39:34.

Yes No

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes No

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes [x] No []

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes [x] No []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes [x] No []

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes [x] No []

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes [x] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

Secretary _____ Date

Treasurer _____ Date

 _____
President 6/2/05 Date

STATE OF LOUISIANA
LOUISIANA BOARD OF VETERINARY MEDICINE
SUMMARY SCHEDULE OF PRIOR FINDINGS
YEAR ENDED JUNE 30, 2005

There were no prior year findings.

STATE OF LOUISIANA
LOUISIANA BOARD OF VETERINARY MEDICINE
SCHEDULE OF BOARD MEMBERS' PER DIEM
YEAR ENDED JUNE 30, 2005

The Board members are not paid per diem.

STATE OF LOUISIANA
Annual Financial Statements
Fiscal Year Ending June 30, 2005

LOUISIANA BOARD OF VETERINARY MEDICINE

Division of Administration
Office of Statewide Reporting
and Accounting Policy
P. O. Box 94095
Baton Rouge, Louisiana 70804-9095

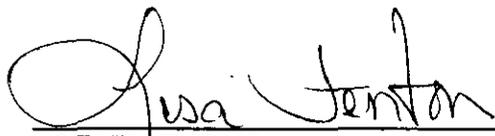
Legislative Auditor
P. O. Box 94397
Baton Rouge, Louisiana 70804-9397

AFFIDAVIT

Personally came and appeared before the undersigned authority, Wendy D. Parrish, Administrative Director of Louisiana Board of Veterinary Medicine who duly sworn, deposes and says, that the financial statements herewith given present fairly the financial position of Louisiana Board of Veterinary Medicine at June 30, 2005 and the results of operations for the year then ended in accordance with policies and practices established by the Division of Administration or in accordance with Generally Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board. Sworn and subscribed before me, this 23rd day of August, 2005.



Signature of Agency Official



NOTARY PUBLIC #005912

Prepared by: Eric J. Vicknair

Title: CPA

Telephone No.: 225-292-1040

Date: August 19, 2005

**STATE OF LOUISIANA
LOUISIANA BOARD OF VETERINARY MEDICINE
BALANCE SHEET
AS OF JUNE 30, 2005**

ASSETS	
CURRENT ASSETS:	
Cash and cash equivalents (Note C1)	\$ <u>278,946</u>
Investments (Note C2)	<u> </u>
Receivables (net of allowance for doubtful accounts)(Note U)	<u> </u>
Due from other funds (Note Y)	<u> </u>
Due from federal government	<u> </u>
Inventories	<u> </u>
Prepayments	<u> </u>
Notes receivable	<u> </u>
Other current assets	<u> </u>
Total current assets	<u>278,946</u>
NONCURRENT ASSETS:	
Restricted assets (Note F):	
Cash	<u> </u>
Investments	<u> </u>
Receivables	<u> </u>
Notes receivable	<u> </u>
Capital assets (net of depreciation)(Note D)	
Land	<u> </u>
Buildings and improvements	<u> </u>
Machinery and equipment	<u> </u>
Infrastructure	<u> </u>
Construction in progress	<u> </u>
Other noncurrent assets	<u> </u>
Total noncurrent assets	<u> </u>
Total assets	\$ <u>278,946</u>
LIABILITIES	
CURRENT LIABILITIES:	
Accounts payable and accruals (Note V)	\$ <u>3,116</u>
Due to other funds (Note Y)	<u> </u>
Due to federal government	<u> </u>
Deferred revenues	<u>3,775</u>
Amounts held in custody for others	<u> </u>
Other current liabilities	<u> </u>
Current portion of long-term liabilities:	
Contracts payable	<u> </u>
Reimbursement contracts payable	<u> </u>
Compensated absences payable (Note K)	<u> </u>
Capital lease obligations - (Note J)	<u> </u>
Notes payable	<u> </u>
Liabilities payable from restricted assets (Note Z)	<u> </u>
Bonds payable	<u> </u>
Other long-term liabilities	<u> </u>
Total current liabilities	<u>6,891</u>
NON-CURRENT LIABILITIES:	
Contracts payable	<u> </u>
Reimbursement contracts payable	<u> </u>
Compensated absences payable (Note K)	<u>3,717</u>
Capital lease obligations (Note J)	<u> </u>
Notes payable	<u> </u>
Liabilities payable from restricted assets (Note Z)	<u> </u>
Bonds payable	<u> </u>
Other long-term liabilities	<u> </u>
Total long-term liabilities	<u>3,717</u>
Total liabilities	<u>10,608</u>
NET ASSETS	
Invested in capital assets, net of related debt	<u> </u>
Restricted for:	
Capital projects	<u> </u>
Debt service	<u> </u>
Unemployment compensation	<u> </u>
Other specific purposes	<u> </u>
Unrestricted	<u>268,338</u>
Total net assets	<u>268,338</u>
Total liabilities and net assets	\$ <u>278,946</u>

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

**STATE OF LOUISIANA
LOUISIANA BOARD OF VETERINARY MEDICINE
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2005**

OPERATING REVENUES	
Sales of commodities and services	\$ _____
Assessments	_____
Use of money and property	_____
Licenses, permits, and fees	318,276
Other	_____
Total operating revenues	318,276
OPERATING EXPENSES	
Cost of sales and services	_____
Administrative	291,664
Depreciation	_____
Amortization	_____
Total operating expenses	291,664
Operating income(loss)	26,612
NON-OPERATING REVENUES(EXPENSES)	
State appropriations	_____
Intergovernmental revenues (expenses)	_____
Taxes	_____
Use of money and property	5,391
Gain (loss) on disposal of fixed assets	_____
Federal grants	_____
Interest expense	_____
Other	_____
Total non-operating revenues(expenses)	5,391
Income(loss) before contributions and transfers	32,003
Capital contributions	_____
Transfers in	_____
Transfers out	_____
Change in net assets	32,003
Total net assets – beginning as restated	236,335
Total net assets – ending	\$ 268,338

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

Statement B

STATE OF LOUISIANA
 LOUISIANA BOARD OF VETERINARY MEDICINE
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2005

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
Operating	\$ 291,664	\$ 318,276	\$	\$ 26,612
General revenues:				
Taxes				
State appropriations				
Grants and contributions not restricted to specific programs				
Interest				5,391
Miscellaneous				
Special items				
Transfers				
Total general revenues, special items, and transfers				5,391
Change in net assets				32,003
Net assets - beginning				236,335
Net assets - ending				\$ 268,338

**STATE OF LOUISIANA
LOUISIANA BOARD OF VETERINARY MEDICINE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2005**

Cash flows from operating activities	
Cash received from customers	\$ <u>317,551</u>
Cash payments to suppliers for goods and services	<u>218,012</u>
Cash payments to employees for services	<u>72,239</u>
Payments in lieu of taxes	<u> </u>
Internal activity-payments to other funds	<u> </u>
Claims paid to outsiders	<u> </u>
Other operating revenues(expenses)	<u> </u>
Net cash provided(used) by operating activities	\$ <u>27,300</u>
Cash flows from non-capital financing activities	
State appropriations	<u> </u>
Proceeds from sale of bonds	<u> </u>
Principal paid on bonds	<u> </u>
Interest paid on bond maturities	<u> </u>
Proceeds from issuance of notes payable	<u> </u>
Principal paid on notes payable	<u> </u>
Interest paid on notes payable	<u> </u>
Operating grants received	<u> </u>
Other	<u> </u>
Transfers In	<u> </u>
Transfers Out	<u> </u>
Net cash provided(used) by non-capital financing activities	<u> </u>
Cash flows from capital and related financing activities	
Proceeds from sale of bonds	<u> </u>
Principal paid on bonds	<u> </u>
Interest paid on bond maturities	<u> </u>
Proceeds from issuance of notes payable	<u> </u>
Principal paid on notes payable	<u> </u>
Interest paid on notes payable	<u> </u>
Acquisition/construction of capital assets	<u> </u>
Proceeds from sale of capital assets	<u> </u>
Capital contributions	<u> </u>
Other	<u> </u>
Net cash provided(used) by capital and related financing activities	<u> </u>
Cash flows from investing activities	
Purchases of investment securities	<u>150,000</u>
Proceeds from sale of investment securities	<u> </u>
Interest and dividends earned on investment securities	<u>5,391</u>
Net cash provided(used) by investing activities	<u>(144,609)</u>
Net increase(decrease) in cash and cash equivalents	<u>(117,309)</u>
Cash and cash equivalents at beginning of year	<u>246,255</u>
Cash and cash equivalents at end of year	\$ <u><u>128,946</u></u>

The accompanying notes are an integral part of this statement.

Statement D

**STATE OF LOUISIANA
LOUISIANA BOARD OF VETERINARY MEDICINE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2005**

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

Operating income(loss)		\$ <u>26,612</u>
Adjustments to reconcile operating income(loss) to net cash		
Depreciation/amortization	_____	
Provision for uncollectible accounts	_____	
Changes in assets and liabilities:		
(Increase)decrease in accounts receivable, net	_____	
(Increase)decrease in due from other funds	_____	
(Increase)decrease in prepayments	_____	
(Increase)decrease in inventories	_____	
(Increase)decrease in other assets	_____	
Increase(decrease) in accounts payable and accruals	(229)	
Increase(decrease) in accrued payroll and related benefits	789	
Increase(decrease) in compensated absences payable	853	
Increase(decrease) in due to other funds	_____	
Increase(decrease) in deferred revenues	(725)	
Increase(decrease) in other liabilities	_____	
 Net cash provided(used) by operating activities		 \$ <u><u>27,300</u></u>

Schedule of noncash investing, capital, and financing activities:

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

(Concluded)

The accompanying notes are an integral part of this statement.

Statement D

**STATE OF LOUISIANA
LOUISIANA BOARD OF VETERINARY MEDICINE
Notes to the Financial Statement
As of and for the year ended June 30, 2005**

INTRODUCTION

The Louisiana Board of Veterinary Medicine (the Board) was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute 37:1515. The following is a brief description of the operations of the Board.

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 Veterinary Medicine present information only as to the transactions of the programs of the Louisiana Board of Veterinary Medicine 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 Board 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 Board 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 includes the original appropriation plus subsequent amendments as follows:

**STATE OF LOUISIANA
LOUISIANA BOARD OF VETERINARY MEDICINE
Notes to the Financial Statement
As of and for the year ended June 30, 2005**

	<u>APPROPRIATIONS</u>
Original approved budget	\$ 254,177
Amendments:	
Legal	<u>24,000</u>
Final approved budget	\$ <u><u>278,177</u></u>

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (If all agency cash and investments are deposited in the State Treasury, disregard Note C.)

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 Board may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the Board 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.

Following GASB Statement 3, deposits were classified into three categories of custodial credit risk depending on whether they were insured or collateralized, and who held the collateral and how it was held.

Category 1 – Deposits that are covered by insurance (FDIC) or collateralized with securities that are held by the entity in the entity's name or registered in the entity's name. (separate disclosure no longer required)

Category 2 – Deposits that are not insured but are collateralized with securities that are held by the financial institution's trust department or agent and are in the entity's name. (separate disclosure no longer required)

Category 3 – Deposits that are not covered by insurance and also are not collateralized. Not collateralized includes when the securities (collateral) are held by the financial institution's trust department or agent and they are not in the entity's name. (separate disclosure still required)

GASB Statement 40 amended GASB Statement 3 to eliminate the requirement to disclose all deposits by the 3 categories of risk listed above. GASB Statement 40 requires only the disclosure of deposits that are 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 June 30, 2005, consisted of the following:

STATE OF LOUISIANA
LOUISIANA BOARD OF VETERINARY MEDICINE
Notes to the Financial Statement
As of and for the year ended June 30, 2005

	Cash	Certificates of Deposit	Other (Describe)	Total
Deposits in Bank Accounts Per Balance Sheet	\$ 128,946	\$ 150,000	\$	\$ 278,946
Bank Balances of Deposits Exposed to Custodial Credit Risk:				
a. Uninsured and uncollateralized				-
b. Uninsured and collateralized with securities held by the pledging institution	45,364	50,000		95,364
c. Uninsured and collateralized with securities held by the pledging institution's trust department or agent, <u>but not in the entities name</u>				-
Total Bank Balances - All Deposits	\$ 145,364	\$ 150,000	\$	\$ 295,364

NOTE: The "Total Bank Balances – All Deposits" will not necessarily equal the "Deposits in Bank Account per Balance Sheet".

The following is a breakdown by banking institution, program, account number, and amount of the balances shown above:

Banking institution	Program	Amount
1. Chase Bank	Checking	\$ 145,364
2. Concordia Bank & Trust	TCD	150,000
3. _____	_____	_____
4. _____	_____	_____
Total		\$ 295,364

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	\$ 0
Petty cash	\$ 0

- 2. INVESTMENTS N/A
- 3. Derivatives N/A
- 4. Credit Risk, Concentration of Credit Risk, Interest Rate Risk, and Foreign Currency Risk Disclosure N/A
- 5. Policies

The Board does not have a deposit policy for custodial credit risk.

- 6. Other Disclosures Required for Investments N/A
- D. CAPITAL ASSETS-INCLUDING CAPITAL LEASE ASSETS N/A
- E. INVENTORIES N/A

**STATE OF LOUISIANA
LOUISIANA BOARD OF VETERINARY MEDICINE
Notes to the Financial Statement
As of and for the year ended June 30, 2005**

F. RESTRICTED ASSETS N/A

G. LEAVE

1. COMPENSATED ABSENCES

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

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 N/A

H. RETIREMENT SYSTEM

Substantially all of the employees of the Board are members of the Louisiana State Employees Retirement System, a cost sharing multiple-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 Board employees 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 \$300 plus 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service.

Vested employees 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, vested employees have the option of reduced benefits at any age with 20 years of service. The System also provides death and disability benefits. 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. 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.

Members are required by state statute to contribute 7.5% of gross salary, and the Board 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, 2005, increased to 17.8% of annual covered payroll from the 15.8% and 14.1% required in fiscal years ended June 30, 2004 and 2003, respectively. The Board contributions to the System for the years ending June 30, 2005, 2004, and 2003, were \$11,783, \$9,900, and \$7,420, respectively, equal to the required contributions for each year.

I. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS N/A

STATE OF LOUISIANA
LOUISIANA BOARD OF VETERINARY MEDICINE
Notes to the Financial Statement
As of and for the year ended June 30, 2005

J. LEASES

1. OPERATING LEASES

The total payments for operating leases during fiscal year 2005 amounted to \$13,800.
A schedule of payments for operating leases follows:

Nature of lease	FY2006	FY2007	FY2008	FY2009	FY20010	FY2011-2015	FY2016-2020
Office space	\$ 11,016	\$ 11,016	\$ 918	\$	\$	\$	\$
Copier	2,784	1,392					
Total	\$ 13,800	\$ 12,408	\$ 918	\$ -	\$ -	\$ -	\$ -

- 2. CAPITAL LEASES N/A
- 3. LESSOR DIRECT FINANCING LEASES N/A
- 4. LESSOR – OPERATING LEASE N/A

K. LONG-TERM LIABILITIES

The following is a summary of long-term debt transactions of the entity for the year ended June 30, 2005:

	Year ended June 30, 2005			Balance June 30, 2005	Amounts due within one year
	Balance June 30, 2004	Additions	Reductions		
Bonds and notes payable:					
Notes payable				--	
Reimbursement contracts payable				--	
Bonds payable				--	
Total notes and bonds	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Other liabilities:					
Contracts payable				--	
Compensated absences payable	\$ 2,864	\$ 853		\$ 3,717	
Capital lease obligations				--	
Liabilities payable from restricted assets				--	
Claims and litigation				--	
Other long-term liabilities				--	
Total other liabilities	<u>2,864</u>	<u>853</u>	<u>--</u>	<u>3,717</u>	<u>--</u>
Total long-term liabilities	<u>\$ 2,864</u>	<u>\$ 853</u>	<u>\$ --</u>	<u>\$ 3,717</u>	<u>\$ --</u>

**STATE OF LOUISIANA
LOUISIANA BOARD OF VETERINARY MEDICINE
Notes to the Financial Statement
As of and for the year ended June 30, 2005**

L.	LITIGATION	N/A		
M.	RELATED PARTY TRANSACTIONS		N/A	
N.	ACCOUNTING CHANGES		N/A	
O.	IN-KIND CONTRIBUTIONS		N/A	
P.	DEFEASED ISSUES	N/A		
Q.	COOPERATIVE ENDEAVORS		N/A	
R.	GOVERNMENT-MANDATED NONEXCHANGE TRANSACTIONS (GRANTS)			N/A
S.	VIOLATIONS OF FINANCE-RELATED LEGAL OR CONTRACTUAL PROVISIONS			N/A
T.	SHORT-TERM DEBT	N/A		
U.	DISAGGREGATION OF RECEIVABLE BALANCES		N/A	
V.	DISAGGREGATION OF PAYABLE BALANCES			

Payables at June 30, 2005, were as follows:

Activity	Vendors	Salaries and Benefits	Accrued Interest	Other Payables	Total Payables
Operating	\$	\$ 3,116	\$	\$	\$ 3,116
					-
Total payables	\$ -	\$ 3,116	\$ -	\$ -	\$ 3,116

W.	SUBSEQUENT EVENTS	N/A		
X.	SEGMENT INFORMATION		N/A	
Y.	DUE TO/DUE FROM AND TRANSFERS		N/A	
Z.	LIABILITIES PAYABLE FROM RESTRICTED ASSETS			N/A
AA.	PRIOR-YEAR RESTATEMENT OF NET ASSETS			N/A

**STATE OF LOUISIANA
LOUISIANA BOARD OF VETERINARY MEDICINE
SCHEDULE OF STATE FUNDING
For the Year Ended June 30, 2005**

<u>Description of Funding</u>	<u>Amount</u>
1. _____	\$ _____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
9. _____	_____
10. _____	_____
Total	\$ <u><u>0</u></u>

**STATE OF LOUISIANA
LOUISIANA BOARD OF VETERINARY MEDICINE
SCHEDULE OF NOTES PAYABLE
JUNE 30, 2005**

Issue	Date of Issue	Original Issue	Principal Outstanding 6/30/PY	Redeemed (Issued)	Principal Outstanding 6/30/CY	Interest Rates	Interest Outstanding 6/30/CY
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	_____	\$ _____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
Total		<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>		<u>\$ 0</u>

*Send copies of new amortization schedules

**STATE OF LOUISIANA
 LOUISIANA BOARD OF VETERINARY MEDICINE
 SCHEDULE OF REIMBURSEMENT CONTRACTS PAYABLE AMORTIZATION
 For The Year Ended June 30, 2005**

Fiscal Year Ending:	Principal	Interest
2006	\$ _____	\$ _____
2007	_____	_____
2008	_____	_____
2009	_____	_____
2010	_____	_____
2011	_____	_____
2012	_____	_____
2013	_____	_____
2014	_____	_____
2015	_____	_____
2016	_____	_____
2017	_____	_____
2018	_____	_____
2019	_____	_____
2020	_____	_____
2021	_____	_____
2022	_____	_____
2023	_____	_____
2024	_____	_____
2025	_____	_____
2026	_____	_____
2027	_____	_____
2028	_____	_____
2029	_____	_____
2030	_____	_____
Total	\$ 0	\$ 0

**STATE OF LOUISIANA
 LOUISIANA BOARD OF VETERINARY MEDICINE
 SCHEDULE OF CAPITAL LEASE AMORTIZATION
 For The Year Ended June 30, 2005**

Fiscal Year Ending:	Payment	Interest	Principal	Balance
2006	\$ _____	\$ _____	\$ _____	\$ _____ --
2007	_____	_____	_____	_____ --
2008	_____	_____	_____	_____ --
2009	_____	_____	_____	_____ --
2010	_____	_____	_____	_____ --
2011-2015	_____	_____	_____	_____ --
2016-2020	_____	_____	_____	_____ --
2021-2025	_____	_____	_____	_____ --
2026-2030	_____	_____	_____	_____ --
 Total	 <u>\$ 0</u>	 <u>\$ 0</u>	 <u>\$ 0</u>	 <u>\$ 0</u>

**STATE OF LOUISIANA
 LOUISIANA BOARD OF VETERINARY MEDICINE
 SCHEDULE OF NOTES PAYABLE AMORTIZATION
 For The Year Ended June 30, 2005**

Fiscal Year Ending:	<u>Principal</u>	<u>Interest</u>
2006	\$ _____	\$ _____
2007	_____	_____
2008	_____	_____
2009	_____	_____
2010	_____	_____
2011-2015	_____	_____
2016-2020	_____	_____
2021-2025	_____	_____
2026-2030	_____	_____
 Total	 \$ <u>0</u>	 \$ <u>0</u>

**STATE OF LOUISIANA
 LOUISIANA BOARD OF VETERINARY MEDICINE
 SCHEDULE OF BONDS PAYABLE AMORTIZATION
 For The Year Ended June 30, 2005**

Fiscal Year Ending:	Principal	Interest
2006	\$ _____	\$ _____
2007	_____	_____
2008	_____	_____
2009	_____	_____
2010	_____	_____
2011	_____	_____
2012	_____	_____
2013	_____	_____
2014	_____	_____
2015	_____	_____
2016	_____	_____
2017	_____	_____
2018	_____	_____
2019	_____	_____
2020	_____	_____
2021	_____	_____
2022	_____	_____
2023	_____	_____
2024	_____	_____
2025	_____	_____
2026	_____	_____
2027	_____	_____
2028	_____	_____
2029	_____	_____
2030	_____	_____
Total	\$ 0	\$ 0

STATE OF LOUISIANA
 LOUISIANA BOARD OF VETERINARY MEDICINE
 SCHEDULE OF CURRENT YEAR REVENUE AND EXPENSES
 BUDGETARY COMPARISON OF CURRENT APPROPRIATION
 NON-GAAP BASIS
 JUNE 30, 2005

	Financial Statement	Adjustments	ISIS Appropriation Report-08/14/05	Revised Budget	Variance Positive/(Negative)
Operating Revenues:					
Intergovernmental Revenues	\$		\$	\$	-
Sales of Commodities and Services					-
Other					-
Total Operating revenues					
Operating Expenses:					
Personal services	\$		\$	\$	-
Travel					-
Operating Services					-
Supplies					-
Professional services					-
Capital outlay					-
Interagency transfers					-
Other charges					-
Total Operating Expenses					
Nonoperating Expenses:					
Use of Money and Property					-
Gain (Loss) on Disposal of Fixed Assets					-
Federal Grants					-
Interest Expense					-
Other					-
Total Nonoperating Expenses					
Capital Contributions					
Operating Transfers In					
Operating Transfers Out					
Change in Net Assets	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

STATE OF LOUISIANA
LOUISIANA BOARD OF VETERINARY MEDICINE
SCHEDULE OF CURRENT YEAR REVENUE AND EXPENSES
BUDGETARY COMPARISON OF CURRENT APPROPRIATION
NON-GAAP BASIS
JUNE 30, 2005

Budgeted Income (Loss)	\$	
Reconciling items:		
Cash carryover		
Depreciation		
Payroll accrual		
Compensated absences adjustment		
Capital outlay		
Change in inventory		
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	\$ 0	

STATE OF LOUISIANA
LOUISIANA BOARD OF VETERINARY MEDICINE
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>2005</u>	<u>2004</u>	<u>Difference</u>	<u>Percentage</u> <u>Change</u>
1) Revenues	\$ 323,667	\$ 246,147	\$ 77,520	- 32
Expenses	291,664	238,902	52,762	- 22
2) Capital assets			-	
Long-term debt	3,717	2,864	853	30
Net Assets	268,338	236,335	32,003	- 14
Explanation for change:	_____			

