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**ACADIANA ECONOMIC DEVELOPMENT  
COUNCIL, INC.**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2008**

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 12/17/08

## TABLE OF CONTENTS

|  |       |
|--|-------|
| <b>INDEPENDENT AUDITORS' REPORT</b> .....  | 2-3   |
| <b>FINANCIAL STATEMENTS</b>  |       |
| Statement of Financial Position .....  | 4     |
| Statement of Activities .....  | 5     |
| Statement of Cash Flows.....   | 6     |
| Notes to Financial Statements.....   | 7-8   |
| <b>ADDITIONAL INFORMATION</b>  |       |
| Schedule of Functional Expenses .....  | 9     |
| Independent Auditors' Report on Internal Control Over<br>Financial Reporting and on Compliance and Other Matters<br>Based on an Audit of Financial Statements Performed in<br>Accordance with <i>Government Auditing Standards</i> ..... | 10-11 |
| Schedule of Findings and Questioned Costs.....   | 12    |
| Summary Schedule of Prior Year Findings .....  | 13    |
| Management's Corrective Action Plan .....  | 14    |

# WRIGHT, MOORE, DEHART, DUPUIS & HUTCHINSON, L.L.C.

Certified Public Accountants  
100 Petroleum Drive, 70508  
P. O. Box 80569 • Lafayette, Louisiana 70598-0569  
(337) 232-3637 • FAX (337) 235-8557  
[www.wmddh.com](http://www.wmddh.com)

## INDEPENDENT AUDITORS' REPORT

JOHN W. WRIGHT, CPA \*  
JAMES H. DUPUIS, CPA, CFP \*  
JAN H. COWEN, CPA \*  
LANCE E. CRAPPELL, CPA \*  
MICAH R. VIDRINE, CPA \*  
TRAVIS M. BRINSKO, CPA \*  
RICK L. STUTES CPA, CVA / ABV, APA \*

To the Board of Directors  
Acadiana Economic Development  
Council, Inc.  
Lafayette, Louisiana

\* A PROFESSIONAL CORPORATION

JOE D. HUTCHINSON, CPA \* +  
M. TROY MOORE, CPA \* +  
MICHAEL G. DEHART, CPA, CVA, MBA \* +

+RETIRED

We have audited the accompanying Statement of Financial Position of Acadiana Economic Development Council, Inc. (a nonprofit organization) as of June 30, 2008, and the related Statement of Activities, Functional Expenses, and Cash Flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.



KRISTIE C. BOUDREAUX, CPA  
ROBERT T. DUCHARME, II, CPA  
CHRISTINE R. DUNN, CPA  
DANE P. FALGOUT, CPA  
JUDITH FAULK, CPA  
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ROBIN G. STOCKTON, CPA  
BRIDGET B. TILLEY, CPA, MT  
ABBY T. TRAHAN, CPA, MS  
TINA B. VIATOR, CPA

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Acadiana Economic Development Council, Inc., as of June 30, 2008, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2008, on our consideration of Acadiana Economic Development Council, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Acadiana Economic Development Council, Inc. taken as a whole. The supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of the Organization. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Wright, Moore, DeHart,  
Dupuis & Hutchinson, LLC*

WRIGHT, MOORE, DEHART,  
DUPUIS & HUTCHINSON, L.L.C.  
Certified Public Accountants

November 10, 2008

ACADIANA ECONOMIC DEVELOPMENT COUNCIL, INC.

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2008

ASSETS

**CURRENT ASSETS**

|                      |                |
|----------------------|----------------|
| Revenue Receivable   | \$ 40,162      |
| Prepaid Expenses     | <u>73,314</u>  |
| Total Current Assets | <u>113,476</u> |

**PROPERTY AND EQUIPMENT**

|                                |                 |
|--------------------------------|-----------------|
| Equipment                      | 40,307          |
| Less: Accumulated Depreciation | <u>(19,605)</u> |
| Net Property and Equipment     | <u>20,702</u>   |

**OTHER ASSETS**

|                   |              |
|-------------------|--------------|
| Logo and Tag Line | <u>3,000</u> |
|-------------------|--------------|

TOTAL ASSETS \$ 137,178

LIABILITIES AND NET ASSETS

**CURRENT LIABILITIES**

|                             |              |
|-----------------------------|--------------|
| Technical Overdraft         | \$ 6,856     |
| Accounts Payable            | 400          |
| Accrued Payroll Liabilities | <u>505</u>   |
| Total Current Liabilities   | <u>7,761</u> |

**NET ASSETS**

|                  |                |
|------------------|----------------|
| Unrestricted     | <u>129,417</u> |
| Total Net Assets | <u>129,417</u> |

TOTAL LIABILITIES  
AND NET ASSETS \$ 137,178

The Accompanying Notes are an Integral Part of this Statement.

**ACADIANA ECONOMIC DEVELOPMENT COUNCIL, INC.**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2008**

**UNRESTRICTED NET ASSETS**

**PUBLIC SUPPORT**

Grants and Contracts \$ 293,178

**REVENUES**

Dividends 110

**TOTAL PUBLIC SUPPORT AND REVENUES** 293,288

**EXPENSES**

Program Activities:

Economic Development 202,421

Management and General Expenses 12,921

Total Expenses 215,342

**INCREASE IN UNRESTRICTED NET ASSETS** 77,946

**NET ASSETS AT BEGINNING OF YEAR** 51,471

**NET ASSETS AT END OF YEAR** \$ 129,417

The Accompanying Notes are an Integral Part of this Statement.

**ACADIANA ECONOMIC DEVELOPMENT COUNCIL, INC.**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2008**

**CASH FLOWS FROM OPERATING ACTIVITIES**

|  |                  |
|--|------------------|
| Increase in Net Assets   | <u>\$ 77,946</u> |
| Adjustments to Reconcile Increase in Net Assets<br>to Net Cash Provided By Operating Activities: |                  |
| Depreciation   | 11,096           |
| Changes in Assets and Liabilities:   |                  |
| Revenue Receivable   | (29,662)         |
| Prepaid Expenses   | (57,869)         |
| Technical Overdraft  | 6,856            |
| Accrued Payroll Liabilities  | <u>(1,662)</u>   |
| Total Adjustments  | <u>(71,241)</u>  |
| Net Cash Provided By Operating Activities  | <u>6,705</u>     |

**CASH FLOWS FROM INVESTING ACTIVITIES**

|                                       |                 |
|---------------------------------------|-----------------|
| Purchase of Fixed Assets              | <u>(15,238)</u> |
| Net Cash Used In Investing Activities | <u>(15,238)</u> |

**NET DECREASE IN CASH** (8,533)

**CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR** 8,533

**CASH AND CASH EQUIVALENTS AT END OF YEAR** \$ -

The Accompanying Notes are an Integral Part of this Statement.

ACADIANA ECONOMIC DEVELOPMENT COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008

(A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Nature of Operations** – Acadiana Economic Development Council, Inc. is a non-profit organization that is designed to provide the Acadiana region with an economic development plan to restructure the Acadiana economy to provide an adequate base of new employment opportunities into the 21<sup>st</sup> century and beyond and a permanent structure to implement the plan as well as foster economic planning and development and improve efficiency and development of both the quality and quantity of economic growth and employment opportunities. The Organization is primarily funded through a grant from the State of Louisiana, Department of Economic Development.

**Financial Statement Presentation** – Acadiana Economic Development Council, Inc. follows Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations," with regard to its financial statement presentation. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

**Income Taxes** – Acadiana Economic Development Council, Inc. qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and therefore has no provision for federal income taxes. In addition, Acadiana Economic Development Council, Inc. has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509 (a) of the Code.

**Property and Equipment** – All acquisitions of property and equipment in excess of \$500 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are valued at historical cost for assets purchased and at fair market value at the date of donation for contributed assets. Donations of property and equipment are recorded as support at their estimated fair market value and are reported as unrestricted unless the donor has restricted the donated assets for a specific purpose.

Depreciation is computed using the straight-line method over the assets' useful lives.

**Cash and Cash Equivalents** – For the purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. There were no cash equivalents at June 30, 2008.

**Use of Estimates** - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**ACADIANA ECONOMIC DEVELOPMENT COUNCIL, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008**

**(A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

**Vacation and Sick Leave** – Vacation is earned after one year of employment and is calculated based on an anniversary year. Any unused vacation as of an employees' anniversary date is forfeited. Upon separation, employees will not be compensated for any unused vacation.

Sick leave with pay is earned at a rate of five days per calendar year. No sick leave is payable to an employee upon separation nor can sick leave be carried forward.

**(B) CONCENTRATION OF CREDIT RISK**

The majority of Acadiana Economic Development Council, Inc.'s accounts receivable balance at June 30, 2008 is comprised of amounts due from the State of Louisiana, Department of Economic Development.

Eighty-nine percent (89%) of the revenues of the Organization are comprised of funds received from the Louisiana Department of Economic Development. These grants and contracts are renewed annually. A change in this funding could substantially affect the operations of the Organization.

**(D) MEMORANDUM OF UNDERSTANDING**

The Organization has also entered into an annual memorandum of understanding with the Lafayette Economic Development Authority to provide up to \$35,000 to fund marketing efforts and potential staffing for the year ended December 31, 2007 and \$30,000 for the year ended December 31, 2008. As of June 30, 2008, the Organization has received \$30,000 from these agreements which is reflected in grant revenue on these financial statements. The additional funds received related to these grants will be recorded as they are received.

**ACADIANA ECONOMIC DEVELOPMENT COUNCIL, INC.**

**SCHEDULE OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2008**

|                                   | <u>PROGRAM<br/>SERVICES</u> | <u>SUPPORT<br/>SERVICES</u> | <u>TOTAL</u>      |
|-----------------------------------|-----------------------------|-----------------------------|-------------------|
| Compensation and Related Expenses |                             |                             |                   |
| Salaries                          | \$ 63,200                   | \$ -                        | \$ 63,200         |
| Employee Benefits                 |                             |                             |                   |
| Payroll Taxes                     | 4,859                       | -                           | 4,859             |
| Health Insurance                  | <u>4,800</u>                | <u>-</u>                    | <u>4,800</u>      |
|                                   | 72,859                      | -                           | 72,859            |
| Depreciation                      | -                           | 11,096                      | 11,096            |
| Professional Development          | 7,078                       | -                           | 7,078             |
| Insurance                         | 2,594                       | -                           | 2,594             |
| Membership Fees                   | 527                         | -                           | 527               |
| Office Supplies                   | 608                         | -                           | 608               |
| Professional Fees                 | -                           | 1,825                       | 1,825             |
| Program Costs                     | 116,793                     | -                           | 116,793           |
| Travel                            | <u>1,962</u>                | <u>-</u>                    | <u>1,962</u>      |
| Totals                            | <u>\$ 202,421</u>           | <u>\$ 12,921</u>            | <u>\$ 215,342</u> |

The Accompanying Notes are an Integral Part of this Statement.

# WRIGHT, MOORE, DeHART, DUPUIS & HUTCHINSON, L.L.C.

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TRAVIS M. BRINSKO, CPA \*  
RICK L. STUTES CPA, CVA / ABV, APA \*

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

\* A PROFESSIONAL CORPORATION

JOE D. HUTCHINSON, CPA \* +  
M. TROY MOORE, CPA \* +  
MICHAEL G. DEHART, CPA, CVA, MBA \* +

+RETIRED

To the Board of Directors  
Acadiana Economic Development Council, Inc.  
Lafayette, Louisiana



STEPHANIE BLANK, CPA  
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ROBIN G. STOCKTON, CPA  
BRIDGET B. TILLEY, CPA, MT  
ABBY T. TRAHAN, CPA, MS  
TINA B. VIATOR, CPA

We have audited the financial statements of Acadiana Economic Development Council, Inc. as of and for the eighteen months ended June 30, 2008, and have issued our report thereon dated November 10, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses.

A control deficiency exists when the design or operation of a control does not allow

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management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization'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 organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that result in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

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

#### **Compliance and Other Matters**

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

Acadiana Economic Development Council, Inc.'s response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Acadiana Economic Development Council, Inc.'s response and, accordingly, we express no opinion on it.

This report is intended solely for the information of the management and Board of Directors of Acadiana Economic Development Council, Inc. and the Legislative Auditor of the State of Louisiana 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.

*Wright, Moore, DeHart,  
Dupuis & Hutchinson, LLC*

WRIGHT, MOORE, DEHART,  
DUPUIS & HUTCHINSON, LLC  
Certified Public Accountants

November 10, 2008

**ACADIANA ECONOMIC DEVELOPMENT COUNCIL, INC.**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2008**

We have audited the financial statements of Acadiana Economic Development Council, Inc. as of and for the year ended June 30, 2008, and have issue our report thereon dated November 10, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by Comptroller General of the United States. Our audit of the financial statements of June 30, 2008 resulted in an unqualified opinion.

**Section I – Summary of Auditors’ Reports**

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

Internal Control

|                          |                              |  |
|--------------------------|------------------------------|--|
| Material Weaknesses      | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Significant Deficiencies | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

Compliance

|   |                              |  |
|---|------------------------------|--|
| Compliance Material to Financial Statements | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
|---|------------------------------|--|

**Section II – Financial Statement Findings**

There were no current year findings.

**Section III – Federal Award Findings and Questioned Costs**

This section in not applicable.

**ACADIANA ECONOMIC DEVELOPMENT COUNCIL, INC.**

**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2008**

2007-1: Capitalization Policy

*Finding:*

In performing our audit procedures on expenses, we noted several instances where fixed assets and prepaid expenses were included in expense accounts.

*Follow-Up:*

This finding was resolved in the current year.

**ACADIANA ECONOMIC DEVELOPMENT COUNCIL, INC.**

**MANAGEMENT'S CORRECTIVE ACTION PLAN  
FOR THE YEAR ENDED JUNE 30, 2008**

No current year findings were noted, therefore, no response is deemed necessary.