State of Louisiana
DIVISION OF ADMINISTRATION

OFFICE OF STATEWIDE REPORTING AND ACCOUNTING POLICY

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GOVERNOR

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COMMISSIONER OF ADMINISTRATION

June 28, 2006

OSRAP MEMORANDUM 06-32

TO: All Non-ISIS State Agencies, Office of Risk Management, and Office of Group Benefits

FROM: Afranie Adomako, CPA
Director

SUBJECT: Instructions for Preparation of Annual Fiscal Report (AFR)

Attached are the instructions and forms necessary for the completion of your reporting entity's Annual Fiscal Report for the period ending June 30, 2006. This packet is for Non-ISIS agencies, Office of Risk Management and Office of Group Benefits.

OSRAP will, again, prepare all of the depreciation schedules for movable property and buildings.

You are not required to submit copies of system reports with your AFR, which include the appropriation reports, agency trial balances, and copies of any ad hoc reports, etc.

ISIS-prepared Schedules 1, 3, and 4 and Statements A and B for Fund Class 083's (Group Benefits and Risk Management) may be obtained from BUNDL immediately after the close of the thirteenth period. As in the past, changes made to the schedules should be made on the original. Any adjustments needed on the statements should be made in Column II on both Statements A and B. Column III on both statements will be the sum of Columns I and II and represents Column I restated. ***Column III must be filled in whether you post adjustments in Column II or not*.** Expenditures will continue to be reported by program on Schedule I. Therefore, the payroll accrual, which will be reported on Statement B, will have to be separated by program. Schedule 14 is used for the GASB 34 revenue accruals.

Starting this year, GASB 42 – *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries* and GASB 47 – *Accounting for Termination Benefits* are being implemented and will require additional disclosures. GASB 42 establishes financial accounting and reporting standards for impairment of capital assets and insurance recoveries, and has magnified its relevance due to the hurricanes during this fiscal year. Refer to Note AA for disclosure requirements.

GASB Statement No. 47 establishes accounting standards for termination benefits. Termination benefits are benefits other than salaries and wages that are provided by employers as settlement for involuntary terminations initiated by management, or as incentives for voluntary terminations initiated by employees. Involuntary termination

benefits include benefits such as severance pay and payments for unused leave balances. Voluntary termination benefits include benefits such as enhanced early retirement options resulting from an approved early retirement plan and payments for unused leave balances. See OSRAP memorandum 6-28 for additional information on GASB 47 and refer to Note BB for required disclosures.

As in the past, agencies should consider materiality before making adjustments to ISIS-generated statements and schedules. Remember your agency reports are intended "to present fairly, in all *material* respects, the financial operations" of your agency. In this regard, the following table will be the basis of determining materiality and will assist you in your decision to adjust the system reports or submit them unchanged. If your aggregate adjustments are $100,000 or more, we ask that you adjust the lead statements or schedules regardless of the conclusions drawn from the materiality table. Additionally, in deciding if adjustments should be made, you should use the aggregate amount of all adjustments. For example, if you have $300,000 in expenditures with five adjustments totaling $15,000 or more, you should take the adjustment. Each adjustment does not stand on its own.

Materiality under the sliding scale method may be determined by multiplying the appropriate factor below by total revenues or expenditures. Using the table, apply the corresponding factor, interpolating as necessary between two factors.

Revenues/Expenditures	Factor
$ 300,000	.050
1,000,000	.017
5,000,000	.015
10,000,000	.012
50,000,000	.008

Materiality factors are designed as an aid in completing this AFR. To ensure that the materiality tables shown above are not impacting the state's CAFR adversely, keep a record of all the differences you discover and do not include these on your financial statements. *This list of differences must be forwarded with the AFR packet to both the Office of the Legislative Auditors and to this office.*

Additionally, you are requested not to round all financial data presentations to the nearest dollar. In preparing the "lead" statements under ISIS, we will be using dollars and cents. We found that rounding on the various statements and schedules caused some variances in fund balances and column totals. To avoid this, we have expressed all amounts to the penny.

The forms and instructions are designed to meet the general needs of most reporting units; however, this should not preclude adaptations (after approval from this office) for units having unique reporting situations.

The completed packet should include the following statements and schedules:

A. Schedules

1. Schedule 1 (General Operating Appropriation Funds, Schedule of Revenues and Expenditures - Budgetary Comparison, Current Year Appropriation Budget Legal Basis)
2. Schedule 3 (Schedule of Appropriated Revenue by Type - General Operating Appropriation Funds)
3. Schedule 4 (Schedule of Non-Appropriated Major State Revenue and Income Not Available)
4. Schedule 6 (Schedule of Revenues, Expenditures and Changes in Fund Balance - Non-Appropriated Other Funds)
5. Schedule 6-1 (Schedule of Revenues, Expenditures, and Changes in Fund Balance - Escrow Fund)
6. Schedule 8 (Schedule of Federal Financial Assistance)
7. Schedule 10 (Schedule of Per Diem Paid Board (Commission) Members by Fund)
8. Schedule 11 (Schedule of Consultant Fees for Feasibility Studies and Other Special Reports, by Fund)
9. Schedule 13 (Schedule of Interagency Receipts)
10. Schedule 14 (GASB 34 Revenue Accruals)
11. Schedule 15 (Comparison Figures)
12. Notes to the Financial Statement

The deadline to submit the AFR packet is August 30, 2006. This packet is available on OSRAP's website at www.doa.la.gov/osrap/index.htm (click on AFR packets and select Non-ISIS file).

If you have any questions concerning Schedule 8, please contact Donnie Ladatto at 342-1095.

A copy of the Annual Report must be forwarded under separate cover, with an original, signed affidavit, to the Office of the Legislative Auditor, Post Office Box 94397, Baton Rouge, LA 70804-9397 as they will not send out separate affidavit forms. Please be certain that copies of all statements and schedules are included. Also, an original affidavit must be sent to the Office of Statewide Reporting and Accounting Policy. These must both be original documents, which have been signed and notarized. Do not staple the reports; use a binder clip instead.

If you have any questions concerning the above, you may contact the Office of Statewide Reporting and Accounting Policy analyst assigned to your agency per the following list.

AA:PS

Enclosure

AGENCY ASSIGNMENTS

DEPARTMENT	ANALYST	PHONE #
Judiciary (All)	Tonia Jackson	342-1089
Special Acts	Tonia Jackson	342-1089
Other Requirements 20-906 through 20-980	Pam Stephens	342-0712
Group Benefits	Katherine Porche	219-4442
Risk Management	Katherine Porche	219-4442

TABLE OF CONTENTS FOR THE INSTRUCTIONS

1. Prepare Schedule 3 (Schedule of Appropriated Revenue by Type - General Operating Appropriation Funds)

2. Prepare Schedule 4 (Schedule of Non-Appropriated Major State Revenue and Income Not Available)

3. Prepare Schedule 1 (General Operating Appropriation Funds, Schedule of Revenues and Expenditures - Budgetary Comparison, Current Year Appropriation - Budget - Legal Basis)

4. Prepare Schedule 6 (Schedule of Revenues, Expenditures and Changes in Fund Balance - Non Appropriated Other Funds)

5. Prepare Schedule 6-1 (Schedule of Changes in Balance(s) – Escrow Fund)

6. Prepare Statement B (Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Appropriated and Non Appropriated Other Funds).

7. Prepare Statement A (Combined Balance Sheet - All Appropriated and Non-Appropriated Fund Types).

8. Prepare the remaining schedules in any order.

9. Prepare Note presentations

Schedule 3 is a presentation of revenue activity for the agency appropriation (general & auxiliary) activities. It is generally intended to reflect activities of ISIS and as such is normally a presentation of financial data on a legal budgetary basis. Non revenue items (i.e. T100, T110, T120, T130, T150, T170, T180, T190, T195, T200, T210, T220, T300, T310, T340, T350, T360, T370, T375, T380, T385) are <u>not</u> shown on this schedule. Agencies on central cash management will receive a "lead" Schedule 3. The information on the schedule, as mentioned in the cover letter, is derived from data in ISIS. <u>DO NOT RETYPE THIS LEAD SCHEDULE.</u> Should you have adjustments, make pencil corrections on the lead schedule in Column VII and return it to this office with your packet. <u>Remember adjustments less than those established using the materiality factors shown in the cover letter should not be made.</u> Those agencies not on central cash management may obtain Schedule 3 information from agency financial ledgers. The following is the method used in preparing the lead schedules:

1. Enter the three digit ISIS Means of Financing Appropriation Number associated with the detail appropriated fund source in Column I.

2. In Column II enter the four digit ISIS revenue source code for revenue collections in that appropriated fund source.

3. In Column III enter by ISIS revenue source code the total cash receipts received and classified through June 30, 2006, from the June 30, 2006, Appropriation Report (2G15) or Organization Responsibility Report (2G00). Do not include non-revenue items listed above.

4. Under Column IV enter by ISIS revenue source code the total cash receipts on deposit with the State Treasury and not classified as of June 30, 2006, (assumes classification subsequent to June 30, 2006). Refer to ISIS report 5G25 Prior Year Classification of Deposits on File as of 6/30/06 Report to obtain listing of unclassified receipts and to your July/August monthly transaction listings to determine subsequent classification type.

5. Column V is the total of Columns III and IV.

6. In Column VI enter by ISIS revenue source code the accounts receivable which were collected and classified between 7/1/06 and 8/14/06 for the reported fiscal year within those appropriated sources which were not included in either Column III or IV.

7. Agencies on central cash management would record <u>material modified accrual</u> adjustments to ISIS information in Column VII. (e.g. Cash received at 6/30 and classified in the 45 day close.)

8. Column VIII "Total Revenue" is the total of Columns V, VI and VII. If classifications have been accomplished in accordance with established time frames, this amount should agree with the August 14, 2006 Appropriation Report (2G15) or Organization Responsibility (2G00) for fiscal year 2005-2006 except for adjustments in Column VII.

<u>NOTE</u>: <u>The Total Revenue figure may include revenue in excess of budget</u>. Direct General Fund Appropriation, Major State Revenues, Revenues that are Income Not Available (INA) and Interim Emergency Board activity are *<u>not</u>* included on this schedule.

Schedule 4 is a presentation of non-appropriated (INA, major state and other non-appropriated) revenue activity occurring within the agency unit that is not available to finance operations, and as such is normally a presentation of financial data on a legal budgetary basis which is normally equivalent to a modified accrual basis. Like Schedule 3, agencies on central cash management will receive a "lead" Schedule 4. DO NOT RETYPE THIS LEAD SCHEDULE. If you have adjustments, make pencil corrections on the lead schedule in Column VIII and return it to this office with your packet. Those agencies not on central cash management may obtain Schedule 4 information from agency financial ledgers. The following is the method used in preparing the "lead" schedules:

1. In Column I enter the three-digit ISIS Appropriation Number and title associated with the Non-Appropriated Fund Source. (Income not available will not have a separate agency appropriation number. This number will be XB2.)

2. In Column II enter the four-digit ISIS revenue collection center organization number for the revenue source being reported.

3. In Column III enter the four digit ISIS revenue source code.

4. In Column IV enter by ISIS revenue object code the total cash receipts classified through June 30, 2006, received in that collection center from the related ISIS Organization Responsibility Report (2G00). Do not include non revenue accounts (i.e. T100, T110, T120, T130, T150, T170, T180, T190, T195, T200, T210, T220, T300, T310, T340, T350, T360, T370, T375, T380, and T385).

5. In Column V enter by ISIS revenue source code the total cash receipts on deposit with the State Treasurer but not classified as of June 30, 2006, which were classified subsequent to June 30, 2006, and prior to August 14, 2006. Refer to 5G25 Prior Year Classification of Deposits on File as of 6/30/06 to obtain listing of unclassified receipts and to your monthly transaction listing to determine subsequent classification.

6. Column VI is the total of Column IV and V.

7. In Column VII enter by ISIS revenue source code the accounts receivable which were collected and classified between 7/1/06 and 8/14/06 for the reported fiscal year which were not included in either Column IV or V.

8. Agencies on central cash management would record material (see definition on preceding pages) adjustments to ISIS information in Column VIII.

9. Column IX "Total Revenue" is the total of Columns VI, VII, and VIII. If classifications have been accomplished in accordance with established time frames, this amount should agree with the August 14, 2006 Organization Responsibility Report (2G00) for fiscal year 2005-06 except for any adjustments in Column VIII.

   NOTE: Please note that Schedule 4 activity is not reported on Statement B. Only Schedule 4 receivable amounts are shown on Statement A, column IV.

Schedule 1 is intended to represent total general operation activities (both means of financing and expenditure activities authorized in the general and auxiliary appropriations acts) on a legal budgetary basis.

Schedule 1 is a "lead" schedule produced through ISIS. It will be made available to those agencies with expenditures and/or revenues on ISIS. DO NOT RETYPE THIS LEAD SCHEDULE. No adjustments should be made unless the adjustments are greater than those established using the factors shown on the cover letter. Adjustments to this schedule may include additions to the accrual columns. Should you have received goods and/or services on or before June 30, 2006, and liquidated these invoices from your fiscal year 2007 appropriations, this amount will not be reflected on your "lead" schedule. Material amounts of such payments may be reflected as an adjustment in Column IV. Material additions to accounts receivable would also be reflected as an agency adjustment in Section A of Column IV. Remember, if you chose to retype your schedule, please return your pencil changes to this office with your packet.

The following is the method used in preparing the "lead" schedule and the instructions for those agencies not on ISIS:

1. In Column I indicate
   A. Revenues - Total actual year-to-date receipts by Means of Financing (exception GF and IEB indicate total warrants drawn) from June 30, 2006, Appropriation Report. This should equal Column V of Schedule 3 plus any non revenue activity such as T100, T110, T120, T130, T150, T170, T180, T190, T195, T210, T220, T300, T310, T340, T350, T360, T370, T375, T380 and T385 if applicable. NOTE: T200 should not be included on Schedule 1. NOTE: These increases due to unclassified cash will equal the total of the revenue accounts shown on ISIS Run 5G25*, PY Classification of Deposits.*

      NOTE: Agencies not on central cash management, who by law or statute carried forward funds into fiscal year 2005-06, should include these amounts in Column I.

   B. Expenditures - Total actual year-to-date cash disbursements by programs from June 30, 2006, Appropriation Report (2G15), by program. NON-ISIS agencies may obtain information from agency financial records. NON-ISIS agencies will show gross salaries (including payroll deductions payable) in Column I and unliquidated accrued employee benefits at 6/30/06 in Column III.

      NOTE: For ISIS agencies, Column I expenditures are adjusted by system accounts payable, debit memos, and returns of appropriation.

2. In Column II indicate
   A. Revenues - no information need be reported on these lines unless receipts classified to 2005-06 were recognized in error as revenue in the 2004-05 statement. (Note: This does not include Title 18 and 19 or ineligible patient fees for DHH.)

B. Expenditures - indicate those payments for goods and services received or rendered on or before June 30, 2005, and liquidated with fiscal year 2005-06 appropriation. ISIS Report 4G03 lists those documents you submitted with a June 30, 2004, or earlier delivery date and liquidated as a fiscal year 2005-06 payment. No adjustment should be made for inaccuracies unless the error is *greater than those established using the sliding scale materiality factors shown on the cover letter*. NON-ISIS agencies may obtain information from agency financial records.

3. In Column III indicate

A. Revenues - Total receivables on a legal budgetary basis by Means of Financing.

(1) General Fund and IEB receivables should equal the actual prior year warrants drawn and/or reversed between July 1 and August 14, 2006.

(2) Means of financing receivables (lines 4 through 10) should equal Column VI on Schedule 3 plus any actual or accrued transfer activity (i.e. T110, T100, T130, T120, T180) received or disbursed between 07/01/06 and 08/14/06. (Exception: for DHH agencies DO NOT include Title 18/19 accruals on Schedule 1.)

B. Expenditures - Total accrued liabilities by program may be derived by calculating all expenditures (account type 22) that were recorded during the thirteenth period. This would include system vouchers payable, debit memos, or returns of appropriation. NON-ISIS agencies will obtain information from agency financial records. Column III should represent total unliquidated bona fide obligations for goods and services received or rendered on or before 6/30/06. *NOTE: ISIS Agencies: Should your June 30, 2006, Agency Trial Balance (2G01) reflect a balance for 6335, Vouchers Payable, you may obtain the breakdown by program from run 1G07B, Unscheduled Payment Turnaround Report at 6/30/06 and 1G26B EFT Unscheduled Turnaround Report at 6/30/06. Should you have credit memos, increase the appropriate program in Column I and decrease the respective amounts in Column III for the amount of the credit memo. Should you have payables, decrease the appropriate program in Column I and increase the respective amounts in Column III. The ISIS report will show accounts payable without a sign. Debit memos will have a negative (-) sign beside the number*.

4. Agencies on ISIS would record accrual adjustments to system information in Column IV. Remember, you should include all payables which were not liquidated in the 45 day close period with the prior year appropriations; however, you should not include future scheduled lease payments which are shown in Note M. Maintain a detailed list of these payables to back up the amount shown on Schedule 1.

5. In Column V indicate the total of Column I, minus Column II, plus Column III, and plus or minus Column IV.

6. In Column VI indicate the revised appropriation amount which should agree to the Appropriation Report by Agency as of August 14, 2006, or the latest approved BA-7.

7. Column VII "Variance" is the net result of Column VI minus Column V. NOTE: If Column VI is greater than Column V, the variance would be unfavorable for appropriated revenue and favorable for appropriated expenditures. If Column VI is less than Column V, the opposite would be the case.

Schedule 6 is necessary only if the unit has non appropriated operational activities not covered in Columns I, II, or III of Statement A. (i.e. Chapel funds, Inmate Welfare funds, etc). Due to the possible diversity of activity type, a free format is provided. *Be sure that the "Fund Balances at beginning of year" equals the "Fund Balance at end of year" on the prior year's report.*

Schedule 6-1 is necessary for the Escrow Fund, which will be shown on the full accrual basis. This fund will show receivables and payables that occurred during the 45-day close plus those amounts attributed to prior year activity and not classified to the system. For this schedule, as it is full accrual, the 45 day rule does not apply. The “Balance at the beginning of year” should be the amount of the prior year ending balance. This amount is on full accrual basis and may be different from your system amount for the Prior Year Carryover (T190). If there is a difference, please make a notation. A credit to revenue is an addition/receivable and a debit to revenue is a deduction/payable. If your agency uses an expenditure organization, then expenditures are shown as a deduction/payable. The amounts for the fiscal year 2006 must equal the 2G00, Organization Responsibility Report. The amounts used during the 45-day close must equal the 2G00 plus off system accruals. **These amounts are not reported on Schedules 1, 3, and 4.**

Note: As all SAP agencies have the payroll clearing subfund, K98, it will no longer be necessary, or possible, for agencies to complete a 6-1 for payroll clearing accounts.

Statement B is a recapitulation of all operational fund type activities (i.e. Appropriated and Non Appropriated Other funds) on a modified accrual basis. Information on this statement which departs from that of the legal basis reflected on Schedule 1 (i.e., Payroll Accrual, See Note R) must be fully disclosed in the notes to the financial statement.

Note: If you have made material agency off system adjustments on Schedules 1 and 3, these additional accruals would be reflected on Statement B and would be in addition to the information shown below.

Statement B is a "lead" statement produced through ISIS. If modifications are needed, please pencil in the changes and return them to this office. DO NOT RETYPE THIS LEAD STATEMENT.

A. Column I

1. Section A - indicate total revenues by each appropriated fund source for appropriated activities. This should be equivalent to Schedule 3 Column VIII - lines A, B, C, D, and E plus Schedule 1 Column V Section A lines 2 and 3 if the legal basis is equivalent to modified accrual. If a federal receivable was established in FY '05 and/or FY '06, post from line 12 of Note R.

2. Section B - indicate total expenditures, by program, for General Appropriation activities. This should be equivalent to Schedule 1 Column V Section B if the legal basis is equivalent to the modified accrual basis. The required personal services accrual is obtained from line 8 of Note R. *Note: The total from Note R will have to be reported separately by program for Statement B.*

3. Section C

   line 13A - indicate appropriated inter/intra fund transfers (i.e. T100, T120, T180) received and to be received, which occurred during the period July 1, 2005 - August 14, 2006 for fiscal year 2005-06. Should equal the total of all transfers in on the Appropriation Report at 8/14/06.

   Line 13B - indicate appropriated inter/intra fund transfers (i.e. T110, T130, T180) remitted and to be remitted, which occurred during the period July 1, 2005 - August 14, 2006 for fiscal year 2005-06. Should equal the total of all transfers out on the Appropriation Report at 8/14/06.

4. Line 17 - indicate beginning fund balance at July 1, 2005 ('05 Statement B Line H).

5. Line 18 - indicate the net increase/decrease of reported inventory between June 30, 2005, and June 30, 2006.

NOTE: Both general and ancillary inventory increase/decrease should be reflected.

6. Line 19 indicates total adjustments to prior year beginning fund balance. This should be equivalent to Schedule 5 Column III line 9 unless legal basis is not modified accrual.

7. Line 20 indicates the net result of lines 16, 17, 18, and 19. Must agree to Statement A line 42.

B. In Column II indicate any material agency off system adjustments coming from Schedule 1 and 3.

C. In Column III, add Columns I and II for the Restated Amounts. This must be completed even if you have no adjustments in Column II.

D. Column IV, Section D

1. Line 14 - indicate total revenues for the fiscal period of the non appropriated other fund activities from Schedule 6.

2. Line 14A - indicate total expenditures/transfers from Schedule 6.

3. Line 15 - indicate difference between line 14 and 14A.

4. Line 17 - indicate beginning fund balance. Should equal the ending fund balance as shown on the 2005 Statement B, Column III, line 20.

5. Line 20 - total of line 15 plus lines 17, 18, and 19.

E. Column V indicates the sum of Columns III and IV.

Statement A is a recapitulation of all fund type real account activities on a GAAP basis. Information on this statement which departs from that of a legal budgetary basis must be fully disclosed in the notes to the financial statement.

Note: If you have made material agency off system adjustments on Schedules 1 and 3, these additional accruals would be reflected on Statement A and would be in addition to the information shown below.

Statement A is a "lead" statement generated from ISIS. DO NOT RETYPE THIS LEAD STATEMENT. If modifications are needed, make the changes on the original in the adjustment column.

A. In Column I indicate the following:

1. Section A - Assets

Line #:

1 Cash in State Treasury - Means of Financing - from the June 30, 2006, Agency Trial Balance (2G01) cash totals excluding 6005-General Fund and 6000-Disbursement Cash Account plus the amounts reflected in Schedule 3 Column IV for each means of financing.

2 Cash in State Treasury ISIS Operating - from the June 30, 2006, Agency Trial Balance (2G01) 6000 Cash Disbursement Account. **Not applicable to NON-ISIS agencies**. Should your agency have had unclassified returns of appropriation (ROAs) at June 30th, the automated Schedule 1 has already reduced your expenditures for this amount. The offset is cash which will require a manual adjustment by the agency. Look at 5G25, *PY Classification of Deposits*. If the operating accounts have balances on this form, that total must be added to the Treasurer's Period Ending Balance and the total recorded on line 2.

3 Cash in State Treasury Payroll Clearing - Not applicable to Column I or NON-ISIS agencies.

4 Cash in Bank Account(s) - Indicate total reconciled balance amounts on deposit with banks (other than State Treasurer). Indicate in Note C amount by type of cash or cash equivalent.

5 Petty Cash - Indicate total amount of cash on hand in the unit.

5A Investments - Indicate total investments at 6/30. NOTE: If these investments are held outside the State Treasury, complete Note C, part 2.

6 Receivables - see lines 7 through 17

7 Due from State General Fund - Indicate the total prior year warrants drawn and/or reversed from July 1, 2006 through August 14, 2006. This amount should agree with accounts receivable shown on Schedule 1, Column III, line 2 (General Fund), if legal basis equals modified accrual.

8 Due from Interim Emergency Fund - Indicate the total prior year warrants drawn and/or reversed during July 1, 2006 through August 14, 2006, which should agree with accounts receivable shown on Schedule 1, Column III, line 3 for IEB.

Line #:

9 Due from Federal government - Indicate the total amount of current operational federal receivables as of 06/30/06. Should equal to accounts receivable on Schedule 3 line A Column VI, if legal basis is equal to modified accrual. Additionally, if a federal receivable is established due to the payroll accrual line 4, Column II of Note R it should be added to the aforementioned totals.

10 Due from self generated revenue sources - Indicate the total amount of current operational receivables as of June 30, 2006. This total should equal the accounts receivable on Schedule 3 line B, Column VI, if legal basis is equal to modified accrual.

11 Due from other agencies - Indicate the total amount of current interagency receivables as of June 30, 2006. This should equal IAT accounts receivable on Schedule 3 line C Column VI if legal basis equals modified accrual.

12 Due from Auxiliary - Self Generated - Revenue - Indicate the total amount of operational auxiliary receivables as of June 30, 2006. This should equal accounts receivable on Schedule 3, line D column VI if legal basis equals modified accrual.

13 Due from Inter/intra fund transfers - Indicate inter/intra fund transfers (i.e. T100, T120, T180) received between 07/01/06 and 08/14/06.

14 Other - Indicate the total amount of non operational receivables (i.e. travel advances, retiree's insurance, petty cash advances) as of June 30, 2006.

15 See lines 16 and 17.

16,17 Due from Other Funds - Indicate the total amount of other fund resources receivable (e.g. Conservation Fund) as of June 30, 2006. This should equal Schedule 3 line E Column VI.

18 Prepaid expenses - Reflect Disbursements made for benefits not yet received.

19 Advances - Asset account used to reflect portion of loan made to another unit.

20 Inventory of Materials and Supplies - Indicate the total dollar amount of materials and supplies on hand at 06/30/06. This would include postage.

21 Other Assets - Fully describe on the bottom of the page.

22 Total Assets - The total of lines 1 - 21

2. Section B Liabilities

Line #:

23 Accounts Payable - Report the total of the open accounts payable less payroll payable as shown on Schedule 1 Column III.

24 Payroll Payable - Accrued payroll for June 30 (see line 3 Column II of Note R). Note: If there is an accrual for payroll or related benefits on Schedule 1, it should be included with the payroll payable on Statement A, not with accounts payable.

25 Payroll deductions payable - Indicate amounts withheld for FY 2006 and not yet disbursed. Not applicable to ISIS agencies.

26 Accrued employee benefits payable - Indicate amounts accrued for FY 2006 and not yet disbursed. Not applicable to ISIS agencies.
27 Advance payable to the State Treasurer - Enter the amount of permanent Imprest Fund advance payable to the State Treasurer.
28 Advance payable to General Fund - Enter the amount of working capital advances and/or seeds payable to the State Treasurer.
29 Income Not Available Due State Treasury - not applicable for Column I.
30 Major State Revenue - not applicable for Column I.
31 Due to Other Funds - Indicate those resources which are payable/due to another funding source (i.e. Conservation and other dedicated fund sources) other than General Fund.
32 Due to Federal Government - Indicate those resources which are payable to federal government.
33 Inter/Intra Fund Transfers - Transfers disbursed between 7/01/06 and 8/14/06 (i.e., T110, T130, T180).
34 Deferred Revenue - Indicate those receipts received but not yet earned as of June 30, 2006, (federal money, for example). *Use the materiality guidelines as indicated on page 2 of the memorandum.*
35 Other Liabilities - Indicate the total amount of non-operational payables other than Advances Payable to STO, Advances to General Fund as of June 30, 2006.
36 Total Liabilities - total lines 23-35

3. Section C Fund Equity
Line #:
37 See lines 38, 39, 40, and 41.
38 Reserved for Inventory of materials and supplies - Contra to line 20.
39 Reserved for Auxiliary Funds - Indicate those resources the unit is legally entitled to retain to finance auxiliary balances.
40 Reserved for Continuing Operations - Indicate those resources the unit is legally entitled to finance future operations. This should equal the T190 carryover shown on the 8/14 Appropriation Report for the new fiscal year if the carryover procedures were completed prior to 8/14.
41 Unreserved/Undesignated - Indicate residual fund resources
42 Total Fund Equity - Sum of lines 38-41.
43 Total Liabilities and Fund Equity - Sum of lines 36 and 42.

B. Column II:

1. Section A - Assets
lines 9-21 - Any material agency adjustments taken on Schedules 1 and 3.

2. Section B - Liabilities
lines 23-35 - Any material adjustments taken on Schedule 1.

3. Section C - Fund Equity
The net effect of the assets-liabilities adjustments

C. Column III – total columns I and II by line. *This must be completed*.

D. Column IV:

1. Section A – Assets
   Line #:
   14 Other - Indicate the total amount of non-appropriated (income not available and major state revenue) receivable as of June 30, 2006. Equivalent to Schedule 4, line D, Column VII.

2. Section B - Liabilities
   29 Income Not Available Due State Treasury - Indicate those funds to be collected and remitted to State Treasurer. Should equal Schedule 4, Column VII, line A.
   30 Major State Revenue Due State Treasury - Indicate those funds to be collected and remitted to State Treasurer. (should equal Schedule 4, Column VII, line B and C if legal basis is modified accrual).

E. In Column V, indicate the following for monies held in the Escrow Fund. This information corresponds to the total column of Schedule 6-1.

1. Section A – Assets
   line #:
   1 Cash in State Treasury - Means of Financing - Indicate the entire amount of dollars on deposit with the State Treasurer in the Escrow Fund as of June 30, 2006. (Must be supported by cost/collection center reports.)
   4 Cash in Bank - Indicate monies being held for individuals in a custodial capacity not in the State Treasury. This must be included in Note C disclosures.
   14 Receivables (Other) - Indicate the receivables from Schedule 6-1 for the Escrow Fund.

2. Section B – Liabilities

   23 Accounts Payable - Indicate the payables from Schedule 6-1 for the Escrow Fund.
   35 Other Liabilities - Indicate the difference between Section A and Section B.

F. In Column VI, units having other activities not covered in Column I through IV will be required to complete Column VI. This information corresponds to those activities reported on Schedule 6, (i.e., Welfare Inmate funds, Chapel Funds, etc.). Cash in bank accounts will be shown on line 4 ***and should be included in totals reported in Note C-1***; receivables, line 14; payables, line 23; and reserve for continuing operations, line 40.

Schedule 13 is a recapitulation of the total Interagency Receipts reported on Schedule 3, as of August 14, 2006.

1. In Column I, list the ISIS Agency Number, if applicable, where the revenue came from (not the agency number of the preparer.) If you do not know the agency number, leave it blank.

2. In Column II, list the name of the agency, college, internal service fund, etc. that provided the revenue.

3. In Column III, enter the amount received from each source at June 30, 2006.

4. In Column IV, enter the amount of unclassified cash for each source at June 30, 2006.

5. In Column V, enter the amount of accounts receivable for each source received during the 45 day close.

6. In Column VI, enter the total revenue received from each source and this should equal the sum of columns III, IV, and V.

***Schedule 13 totals must equal Schedule 3, Line C, Columns III, IV, VI, and VIII totals. ***

Schedule 14 is for the GASB 34 revenue accruals by funding source, organization number, and object.

Revenues under the modified accrual basis are recognized when they become measurable and available and are, consequently, reflected on Statements 1, 3, 3-1, and 4, for example. Under GASB 34, we must also reflect those revenues which have become measurable regardless of availability. Schedule 14 should display the gross revenues you have earned, which are not reflected on any of the aforementioned schedules. Then, list the allowance for uncollectibles by funding sources.

In the last section list, by source, the amounts included but not expected to be collected in one year.

Note B - This amount must agree with the amount reported on Line 27 of Statement A. The amount must also agree with the amounts shown by the State Treasurer.

Note C - Deposits and Investments - The purpose of this note is to disclose the related risk attached to deposits and investments held for the state by financial institutions. Please note that Note C requirements changed in FY 2004 due to the implementation of GASB Statement No. 40 "Deposit and Investment Risk Disclosures – an amendment of GASB Statement No. 3." Additional instructions can be found in Appendix A in the back of the packet.

1. Deposits with Financial Institutions - this note includes only cash and investments <u>not</u> in the State Treasury. All others are reported separately by the State Treasury. <u>Cash and cash equivalents include only those amounts on deposit in financial institutions and do not include cash on hand or petty cash maintained at your agency.</u> The total reported amount must agree with Line 4 of Statement A, Column VII.

Reported amount on Balance Sheet - The total of cash, Certificates of Deposit, and Other must equal Statement A, line 4 column VII, which should be your reconciled bank balances at June 30. The amounts reported in the total bank balances section should be the ending balance on your June 30 bank statement. Unless the account you are reporting has little or no activity, the reported amount on the Balance Sheet total and the bank balances total will NOT be the same.

2. Investments - total reported amount of investments must agree with Line 5A of Statement A, column VII. For those investments meeting GASB 31 reporting requirements this must be fair value.

If you are reporting investments held outside the State Treasury, you must provide the additional disclosures as requested in Section 3 through 6 of this Note.

Note F - Total amount of seed(s) must equal line 28 of Statement A, column VII as well as agree with the records of the State Treasurer. (Must agree with revenue source T220 on the 2G01 report.)

Note G – Deferred Revenues will be mainly from Department of Health and Hospitals, Department of Social Services, and Department of Education. This represents the Federal revenue that was received during the fiscal year and not earned.

Note M – Sections 1 and 2 of this note apply only to those arrangements in which the agency is the lessee. <u>*Revenue leases, those leases where the agency is the lessor, are to be reported on this note in Sections 3 and 4*</u>. Do not include <u>intra agency</u> leases.

Note P – Include all Pass through Grants for grants that you pass to sub recipients while exercising administrative functions as explained in the note, as well as those grants that you receive cash for that infrequently are passed on to secondary recipients as a flow through (where the agency purely acts as a Pure Cash Conduit). Where the agency acts as a pure cash conduit, show the financial transaction as part of AFR schedule 6 (Non Appropriated Other Funds) but disclose that information with a sub-title under Note P.

Note Q - In-kind contributions are often the result of match for a grant. An example would be the loan of office space by a local government to satisfy a match requirement on a federal grant.

Note R - The totals for this note can be found on the HR Report ZF75, SI Payroll Posting Report (which will be provided by OSRAP to the agencies). Column I must agree with Note R from FY '05. This note impacts Schedule 1, Statement A and Statement B, and possibly Schedules 3 and 3-1. The information will be sent to you from OSRAP. Remember to list all payroll accruals by program. Regardless of payroll accrual amounts, all sections of this note must be completed.

Note T - Any agency that experienced a fund deficit in a program or in total must list and explain the circumstances in this note. Program deficit(s) reported here must agree with that shown on Statement B

Note U - The totals on this note must agree with line 40 on Statement A column VII. If carryover procedures were completed prior to August 14, this amount will agree with T190 carryover on your August 14 Appropriation Report (for ISIS agencies only).

Note V – Provide only the ending balance of cooperative endeavors by funding source. **Please note the additional paragraph explaining the information that is requested for the note.**

Note X- You must include any activities that occurred after June 30, 2006 that impact your agency and are not already reflected in the financial statements. This will include activities that may impact any subsequent fiscal year's operations.

□□□
Schedule Number

STATE OF LOUISIANA
Annual Financial Statements
Fiscal Year Ending June 30, 20__

____
(Agency Name)

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

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

AFFIDAVIT

Personally came and appeared before the undersigned authority, ________________________ (Name)______________________________(Title) of___________________________(Agency) who duly sworn, deposes and says, that the financial statements herewith given present fairly the financial position of ____ (agency) at June 30, 20__ 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 __________ day of _______________, ____.

____
Signature of Agency Official

____
NOTARY PUBLIC

Prepared by: ________________________________

Title: ______________________________________

Telephone No.: ______________________________

Date: ______________________________________

□□□

Schedule Number

STATE OF LOUISIANA
Annual Financial Statements
Fiscal Year Ending June 30, 20__

____
(Agency Name)

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

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

AFFIDAVIT

Personally came and appeared before the undersigned authority, ______________________ (Name) _____________________________________(Title) of__________________________________(Agency) who duly sworn, deposes and says, that the financial statements herewith given present fairly the financial position of ____ (agency) at June 30, 20__ 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 ___________ day of _________________, ____.

____
Signature of Agency Official

____
NOTARY PUBLIC

Prepared by: ___________________________________

Title: ____

Telephone No.: ________________________________

Date: ____

STATE OF LOUISIANA
_______________________________(agency)
COMBINED BALANCE SHEET – ALL APPROPRIATED AND NON-APPROPRIATED FUNDS
AS OF JUNE 30, 20__

		APPROPRIATED		
		General & Auxiliary Appropriation Fund		
		System Balance I	Adjustments II	Restated Balance III
A	ASSETS			
1	Cash in state treasury – means of financing	$	$	$
2	Cash in state treasury – ISIS operating fund			
3	Cash in state treasury – payroll clearing fund			
4	Cash in bank accounts (Note C)			
5	Petty cash			
5A	Investments			
6	Receivables:			
7	Due from General Fund			
8	Due from Interim Emergency Board			
9	Due from federal government			
10	Due from fees and self-generated revenue			
11	Due from other agencies (IAT)			
12	Due from Auxiliary – self-generated revenue			
13	Due from inter/intra fund transfers			
14	Other (attach schedule)			
15	Due from other funds:			
16				
17				
18	Prepaid expenses			
19	Advances			
20	Inventory of materials and supplies			
21	Other assets			
22	Total assets	$	$	$
	LIABILITIES AND FUND EQUITY			
B	Liabilities:			
23	Accounts payable	$	$	$
24	Payroll payable			
25	Payroll deductions payable			
26	Accrued employee benefits payable			
27	Advance from STO for imprest fund (Note B)			
28	Advance payable to General Fund (Note F)			
29	Income not available due to state treasury			
30	Major state revenue due to state treasury			
	Due to:			
31	Other funds			
32	Federal government			
33	Inter/intra fund transfers			
34	Deferred revenue			
35	Other liabilities			
36	Total liabilities			
C	Fund Equity			
37	Fund balance:			
38	Reserved for inventory of materials and supplies (Note E)			
39	Reserved for auxiliary funds			
40	Reserved for continuation of operations			
41	Unreserved – undesignated			
42	Total fund equity			
43	Total liabilities and fund equity	$	$	$

(Continued)
The accompanying notes are an integral part of this statement.

Schedule No.____________________
ISIS Agency No. __________________

	NON-APPROPRIATED			TOTALS (Memorandum Only)
	Fiduciary Type Funds			
	Major State Revenues/INA IV	Agency – Schedule 6-1 V	Other – Schedule 6 VI	VII
A				
1	$	$	$	$
2				
3				
4				
5				
5A				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22	$	$	$	$
B				
23	$	$	$	$
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
C				
37				
38				
39				
40				
41				
42				
43	$	$	$	$

(Concluded)
The accompanying notes are an integral part of this statement

Statement A

STATE OF LOUISIANA
________________________________(agency)
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
APPROPRIATED AND NON-APPROPRIATED OTHER FUNDS
FOR THE YEAR ENDED JUNE 30, 20__

		APPROPRIATED		
		General & Auxiliary Appropriation Fund		
		System Balance I	Adjustments II	Restated Balance III
A	REVENUES			
1	Appropriated revenues:			
2	General Fund	$	$	$
3	Interim Emergency Board			
4	Federal funds			
5	General Fund by fees and self-generated revenues			
6	General Fund by interagency transfers			
7	Auxiliary funds			
8	Other fund sources:			
9	Total appropriated revenues			
B	EXPENDITURES			
10	Appropriated expenditures:			
	Program 1			
	Program 2			
	Program 3			
	Program 4			
	Program 5			
	Program 6			
11	Total appropriated expenditures			
12	Excess (deficiency) of appropriated revenues over appropriated expenditures			
C	Other appropriated financing sources (uses):			
13	a) Transfers in			
	b) Transfers out			
	c) ____________________			
D	Other non-appropriated revenues: (Schedule 6)			
14	Non-appropriated revenues (Schedule 6)			
14A	Non-appropriated expenditures/transfers (Schedule 6)			
15	Excess (deficiency) of non-appropriated revenues over non-appropriated expenditures			
16	Excess (deficiency) of revenues and other sources over expenditures and other uses			
17	Fund balance at beginning of year			
18	Increase/decrease in reserve for inventory			
19	Adjustment			
20	Fund balance at end of year	$	$	$

(Continued) The accompanying notes are an integral part of this statement.

Statement B

Schedule No.______________________
ISIS Agency No. ___________________

	NON-APPROPRIATED Other Schedule 6 IV	TOTAL (Memorandum Only) V
A		
1	$	$
2		
3		
4		
5		
6		
7		
8		
9		
B		
10		
11		
12		
C		
13		
D		
14		
14A		
15		
16		
17		
18		
19		
20	$	$

(Concluded) Statement B

The accompanying notes are an integral part of this statement

____

(Agency Name)
STATE OF LOUISIANA
GENERAL OPERATING APPROPRIATION FUNDS
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY COMPARISON
CURRENT YEAR APPROPRIATION (BUDGET - LEGAL BASIS)
FOR THE YEAR ENDED JUNE 30, 20__

Schedule No.____________________
ISIS Agency No. __________________

PROGRAMMATIC BUDGETING	GENERAL APPROPRIATION						
	Cash Basis I	Adjustment II	Accrual III	Agency Accrual Adj. IV	Total V	Revised Budget VI	Favorable (Unfavorable) VII
A REVENUES							
1 Appropriated by Legislature:							
2 State General Fund	$	$	$	$	$	$	$
3 Interim Emergency Board							
4 Federal Funds							
5 State General Fund by fees and self generated revenues							
6 State General Fund by interagency receipts							
7 Auxiliary funds							
8 Other appropriated fund sources:							
9 fund							
10 __________fund							
11 Total appropriated revenue							
B EXPENDITURES (List Programs)							
Appropriated expenditures:							
12 Program 1							
13 Program 2							
14 Program 3							
15 Program 4							
16 Program 5							
17 Program 6							
Excess (deficiency) of appropriated revenues over appropriated expenditures	$	$	$	$	$	$	$

(Agency Name)
STATE OF LOUISIANA
SCHEDULE OF APPROPRIATED REVENUE BY TYPE
GENERAL OPERATING APPROPRIATION FUNDS
FOR YEAR ENDED JUNE 30, 20___

Schedule No.________________
ISIS Agency No.________________

Appropriated Revenue Fund	ISIS Appr Number I	Revenue Source Code II	Classified Cash Receipts Through June 30, 20__ III	Unclassified Cash Receipts at June 30, 20__ IV	Total Cash Deposit with Treasury (III + IV) V	Accounts Receivable at June 30, 20__ VI	Agency Adjustment to Modified Accrual Only VII	Total Revenue VIII
Federal funds								
A-1 ____________	____	____	$____	$____	$____	$____	$____	$____
A-2 ____________	____	____	____	____	____	____	____	____
A-3 ____________	____	____	____	____	____	____	____	____
A Subtotal - Federal funds			____	____	____	____	____	____
State General Fund by fees and self generated revenues								
B-1 ____________	____	____	____	____	____	____	____	____
B-2 ____________	____	____	____	____	____	____	____	____
B-3 ____________	____	____	____	____	____	____	____	____
B-4 ____________	____	____	____	____	____	____	____	____
B Subtotal - General Fund by fees and self generated			____	____	____	____	____	____
State General Fund by interagency receipts								
C-1 ____________	____	____	____	____	____	____	____	____
C-2 ____________	____	____	____	____	____	____	____	____
C Subtotal - General Fund by interagency receipts			____	____	____	____	____	____
Auxiliary funds								
D-1 ____________	____	____	____	____	____	____	____	____
D-2 ____________	____	____	____	____	____	____	____	____
D-3 ____________	____	____	____	____	____	____	____	____
D Subtotal - Auxiliary funds			____	____	____	____	____	____
Other funds								
E-1 ____________	____	____	____	____	____	____	____	____
E-2 ____________	____	____	____	____	____	____	____	____
E-3 ____________	____	____	____					
E Subtotal - Other funds			____	____	____	____	____	____
F Total appropriated revenue			$____	$____	$____	$____	$____	$____

Schedule 3

(Agency Name)
STATE OF LOUISIANA
SCHEDULE OF NON APPROPRIATED (MAJOR STATE REVENUE & INCOME NOT AVAILABLE)
FOR THE YEAR ENDED JUNE 30, 20___

Schedule No.____________________
ISIS Agency No. ____________________

	ISIS Appropriation Number and Title I	Revenue Organization Number II	Revenue Source Code III	Classified Cash Receipts through June 30, 20__ IV	Unclassified Cash Receipts at June 30, 20__ V	Total Cash on Deposit with Treasury (IV + V) VI	Accounts Receivable at June 30, 20__ VII	Agency Adjustment to Modified Accrual Only VIII	Total Revenue IX
	Income not available:								
A-1				$	$	$	$	$	$
A-2									
A-3									
A-4									
A	Subtotal Income not available								
	Major State Revenue:								
B-1									
B-2									
B-3									
B-4									
B-5									
B-6									
B-7									
B-8									
B-9									
B-10									
B	Subtotal Major State Revenue								
	Other Non-Appropriated:								
C-1									
C-2									
C-3									
C	Subtotal Other Non-Appropriated								
D	Total Non Appropriated Fund Sources			$	$	$	$	$	$

(Agency Name)
STATE OF LOUISIANA
NON APPROPRIATED OTHER FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 20__

Schedule No. ____________
ISIS Agency No. ____________

				TOTAL
REVENUES (Full Accrual)				
____________	$ ____________	$ ____________	$ ____________	$ ____________
____________	____________	____________	____________	____________
____________	____________	____________	____________	____________
____________	____________	____________	____________	____________
____________	____________	____________	____________	____________
____________	____________	____________	____________	____________
____________	____________	____________	____________	____________
____________	____________	____________	____________	____________
Total Revenues	____________	____________	____________	____________
EXPENSES (Full Accrual)				
____________	$ ____________	$ ____________	$ ____________	$ ____________
____________	____________	____________	____________	____________
____________	____________	____________	____________	____________
____________	____________	____________	____________	____________
____________	____________	____________	____________	____________
____________	____________	____________	____________	____________
____________	____________	____________	____________	____________
____________	____________	____________	____________	____________
Total Expenses	____________	____________	____________	____________
Excess (deficiency) of revenues over expenses	____________	____________	____________	____________
Fund balances at beginning of year	____________	____________	____________	____________
Adjustments	____________	____________	____________	____________
Fund balances at end of year	$ ____________	$ ____________	$ ____________	$ ____________

SCHEDULE 6

ISIS Agency No.________
Schedule No.___________

STATE OF LOUISIANA
______________________________(agency)
ESCROW FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 20__

Unit Name:

Balance at beginning of year $ __________________

Revenues (additions July 1, 2005 through June 30, 2006):

____ __________________
____ __________________
____ __________________
____ __________________

Expenditures (deductions July 1, 2005 through June 30, 2006):

____ __________________
____ __________________
____ __________________
____ __________________

Balance as of June 30, 2006 __________________

Accruals
Receivables:
Amount classified in 2006 (July 1, 2006 through August 14, 2006) __________________
*Amount classified in 2007 (July 1, 2006 through August 14, 2006) __________________
**Amount not classified as of August 14, 2006 (GASB 34 full accrual) __________________

Payables:
Amount paid in 2006 (July 1, 2006 through August 14, 2006) __________________
*Amount paid in 2007 (July 1, 2006 through August 14, 2006) __________________
**Amount not paid as of August 14, 2006 (GASB 34 full accrual) __________________

Balance at end of year $ __________________

***Should be accruals for prior year activity but reflected in the 2007 fiscal year.**
****Should be accruals for prior year activity not yet reflected in the financial system.**

Prepared by: ____________________________
Telephone: ______________________________
Email: __________________________________

Schedule No.__________
ISIS Agency No.________

STATE OF LOUISIANA
SCHEDULE OF PER DIEM PAID BOARD (COMMISSION) MEMBERS, BY FUND
FOR THE YEAR ENDED JUNE 30, 20___

NAME	NUMBER	AMOUNT
		$
TOTAL		$

NOTE: Provide a separate copy of this schedule for each board (commission) by fund (appropriation). The per diem payments are authorized by Louisiana Revised Statute, and are presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Legislature.

Schedule No. _______________
ISIS No. ___________________

STATE OF LOUISIANA
SCHEDULE OF CONSULTANT FEES FOR FEASIBILITY STUDIES
AND OTHER SPECIAL REPORTS, BY FUND
FOR THE YEAR ENDED JUNE 30, 20___

____	$______________
____	______________
____	______________
____	______________
____	______________
____	______________
____	______________
____	______________
____	______________
____	______________
____	______________
____	______________
____	______________
____	______________
TOTAL	$ ______________

NOTE: Where more than one fund (appropriation) applies, separate by fund (appropriation). This schedule is prepared in compliance with Senate Concurrent Resolution No. 35 of the Regular Session of 1974.

SCHEDULE 11

Schedule No._______________
ISIS agency No.____________

SCHEDULE OF INTERAGENCY RECEIPTS
FOR THE YEAR ENDED JUNE 30, 20____

I	II	III	IV	V	VI
Agency Number	Source	Classified June 30, 20___	Unclassified June 30, 20___	Accounts Receivable on a Modified Basis	Totals
_______	_____________	$_____________	$_____________	$_____________	$_____________
	Total	$	$	$	$

Schedule 13 is a recapitulation of the total Interagency Receipts reported as of August 14, 2006

1. In column I, list the ISIS agency number, if applicable, of the source of revenue.
2. In column II, list the sources of the revenue (i.e. state agency, college, internal service fund, etc.)
3. In column III, enter the amount received from each source for June 30, 2006.
4. In column IV, enter the amount of unclassified cash for each source at June 30, 2006.
5. In column V, enter the amount of accounts receivable for each source received during the 45 day close.
6. In column VI, enter the total revenue received from each source.

TOTALS MUST EQUAL SCHEDULE 3, LINE C, COLUMNS III, IV, VI, AND VIII.

Schedule No.________________
ISIS Agency No.____________

GASB 34 REVENUE ACCRUALS
FOR THE YEAR ENDED JUNE 30, 20____

Funding Source (list by name):	Organization #	Object	2005-06 GASB 34 Accrual	2004-05 GASB 34 Accrual Reversal
Federal:			$	$
Self-Generated:				
Major State Revenue:				
			________________	________________
Total GASB 34 accruals (gross)			________________	________________
Less: Allowance for Uncollectibles (for all funding sources)				
Federal:				
Self-Generated:				
Major State Revenue:				
			________________	________________
GASB 34 receivable adjustment net of uncollectibles			$ ______________	$ ______________
Amount Included above not expected to be collected in one year				
Federal:				
Self-Generated:				
Major State Revenue:				
Total amount included above not expected to be collected in one year			$ ______________	$ ______________

STATE OF LOUISIANA

_______________________________ (agency)

Comparison Figures

ISISAgency No._______

Schedule No.__________

To assist OSRAP in determining the reason for the change in financial position for the state, please complete the schedule below. If the change in revenues or expenditures is more than $3 million from the previous year's figures, explain the reason for the change. (Add additional sheets as necessary for the explanation section.)

	2006	2005	Difference	Percentage Change
1) Revenues (a)	$______________	$ ______________	$ ____________	$ ____________
Expenditures (b)	______________	______________	____________	____________
Explanation for change:				

(a)Revenues must equal the following:
Total revenue on Schedule 3 or Schedule 3-1, if prepared
+Full current year accrual revenues on Schedule 14
-Full prior year accrual revenues on Schedule 14
+2006 Payroll Federal revenue accrual from Note R
-2005 Payroll Federal revenue accrual from Note R

(b)Expenditures must agree with total expenditures on Schedule 1 or Schedule 3-1, if prepared, **plus** 2006 payroll accrual, **less** 2005 payroll accrual

2) To assist OSRAP in determining the reason for the change s in the budget, please complete the schedules below. If the change is more than $3 million or 10%, explain the reason for the difference. (Add additional sheets as necessary for the explanation section.)

	2006 Original Budget (c)	2006 Final Budget (d)	Difference	Percentage Change
Revenues	$ ______________	$ ______________	$ ____________	$ ____________
Expenditures	______________	______________	____________	____________
Explanation of change:				

3)	2006 Final Budget (d)	2006 Actual (e)	Difference	Percentage Change
Revenues	$ ______________	$ ______________	$ ____________	$ ____________
Expenditures	______________	______________	____________	____________
Explanation of change:				

(c)The original budget amount should equal the budget amount appropriated by the Legislature (Act 16).

(d)The final budget amount should equal the original budgeted amount plus or minus all of the BA7's (revisions), and it can be found on Schedule 1, column 6.

(e) Actual revenues and expenditures can be found on Schedule 1, column 5.

NOTES TO THE FINANCIAL STATEMENT

TABLE OF CONTENTS

STATE OF LOUISIANA
_______________________________(Agency)
NOTES TO THE FINANCIAL REPORTS
FOR THE YEAR ENDED JUNE 30, 20__

INTRODUCTION

The _______________________ is an agency of the State of Louisiana reporting entity and was created in accordance with Title ________, Chapter ___________ of the Louisiana Revised Statutes of 1950 as a part of the _____________________________ branch of government. The __________________________ is charged with ____ ____ within the State of Louisiana.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The _____________________________ prepared its financial statements in accordance with the procedures established by the Division of Administration. The financial activities of the _______________________________ are accounted for on a fund basis whereby a set of separate, self-balancing accounts are maintained to account for appropriated or authorized activities. The information presented herein, is reported under the modified accrual basis of accounting as prescribed by GAAP for fund level reporting.

The general fixed assets and long-term obligations of the agency are not recognized in the accompanying financial reports presented at fund level. All capital assets of the primary government are, however, reported at the government-wide level of reporting, as required by GAAP.

Annually the State of Louisiana issues a comprehensive annual financial report which includes the activity contained in the accompanying financial statements. The comprehensive annual financial report is audited by the Louisiana Legislative Auditor.

1. FUND ACCOUNTING

General Operating Appropriations
The General Operations Fund is used to account for all general and auxiliary fund appropriated operating expenditures and minor capital acquisitions. All appropriated general and auxiliary operations revenue is accounted for in this fund.

Non-Appropriated Funds (describe each Non-Appropriated Fund)
Major State Revenues and Income Not Available - The agency collects major state revenues that are remitted to the State Treasury for deposit to statutorily dedicated funds. In addition, the agency collects funds specifically identified by the Division of Administration - Budget Office as Income Not Available that are remitted to the State Treasury. These amounts are not available to the agency for expenditure and are, therefore, not included on Statement B but are detailed on Schedule 4.

Payroll Clearing Fund - The Payroll Clearing Fund is used to account for payroll deductions and accrued benefits.

The non-appropriated funds relating to Major State Revenues, Income Not Available and Payroll Clearing are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

For purposes of this statement presentation, collections in excess of Appropriated Means of Financing are not considered income not available and therefore are included on Statement B.

2. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures 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 ______________________________ 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:

Revenues - State General Fund and Interim Emergency Board appropriations are recognized as the net amount warranted during the fiscal year including the 45 day close period.

Fees and self-generated revenues, interagency transfers, federal funds, intrafund revenues, non-appropriated revenues, and other financing sources (with the exception of agency funds) are recognized in the amounts earned, to the extent that they are both measurable and available. (Describe other basis of revenue recognition which differs from this.)

Expenditures - Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except that obligations of employees' vested annual and sick leave are recorded as expenditures when paid. (List any other exceptions.)

B. IMPREST FUNDS

1. ISIS AGENCIES

The agency maintains a permanent Travel and Petty Cash Imprest Fund in the amount of $____________ as authorized by the Commissioner of Administration and advanced by the State Treasurer's Office in accordance with Title 39. The funds are permanently established and periodically replenished from agency operating funds when expenditure vouchers are presented.

2. NON-ISIS AGENCIES

The agency maintains a Petty Cash Fund in the amount of $__________ as authorized by the Commissioner of Administration in accordance with Title 39 of the Louisiana Revised Statutes. The fund is established at the beginning of the fiscal year from the agency's regular operating appropriation and is closed at the end of the fiscal year. The fund is periodically replenished from agency operating appropriation when expenditure vouchers are presented during the fiscal year. The established base amount is considered an internal agency fund; however, the requirement for repayment of the fund to the operating appropriation at the end of the fiscal year eliminates the need for the fund to be reported in these financial statements.

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 (CASH NOT IN STATE TREASURY)

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the _____________________ agency may deposit funds with a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the agency 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.

As reflected on Statement A, the _______________________ agency had deposits in bank accounts totaling $________________ at June 30, 20__. 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. The deposits at June 30, 20___, were secured as follows:

	Cash	Certificates of Deposit	Other (Describe)	Total
Deposits in bank accounts per agency books	$ ____________	$ ____________	$ ____________	$ ____________
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 but not in entity's name	____________	____________	____________	____________
Total bank balances **(All deposits regardless of custodial credit risk)**	$ ____________	$ ____________	$ ____________	$ ____________

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

GASB Statement 40 amended GASB Statement 3 to eliminate the requirement to disclose all deposits by three categories of risk. GASB Statement 40 requires only the separate 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 following is a breakdown by banking institution, program and amount of the bank balances shown above:

	Banking institution	Program	Amount
1.	______________________	______________________	$ ______________
2.	______________________	______________________	______________
3.	______________________	______________________	______________
4.	______________________	______________________	______________
Total			$ ______________

2. INVESTMENTS

The ______________________ (agency) does (does not) maintain investment accounts as authorized by ______________________ (note legal provisions authorizing investment by the agency).

A. Custodial Credit Risk

Investments can be exposed to custodial credit risk if the securities underlying the investment are uninsured, not registered in the name of the entity, and are held by either a counterparty or held by a counterparty's trust department or agent but not in the entity's name.

Beginning with fiscal year ending June 30, 2004, GASB Statement 40 amended GASB Statement 3 to eliminate the requirement to disclose all investments by the three categories of risk. GASB Statement 40 requires only the separate disclosure of investments that are considered to be exposed 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. In addition, the total reported amount and fair value columns still must be reported for total investments (regardless of exposure to custodial credit risk). Using the following table, list each type of investment disclosing the carrying amount, market value, and applicable exposure to custodial credit risk:

	Investments Exposed to Custodial Credit Risk :		All Investments Regardless of Custodial Credit Risk Exposure	
Type of Investments	Uninsured, *Unregistered, and Held by Counterparty	Uninsured, *Unregistered, and Held by Counterparty's Trust Dept. or Agent, Not in Entity's Name	Reported Amount	Fair Value
Repurchase agreements	$______	$______	$______	$______
U.S. government securities	______	______	______	______
U. S. agency obligations	______	______	______	______
Common & preferred stock	______	______	______	______
Commercial paper	______	______	______	______
Corporate bonds	______	______	______	______
Other: (identify)	______	______	______	______
	______	______	______	______
	______	______	______	______
	______	______	______	______
	______	______	______	______
	______	______	______	______
	______	______	______	______
Total Investments	$______	$______	$______	$______

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

3. DERIVATIVES:

The _____________________ does (does not) maintain investments in derivatives as part of its investment policy. If so, list the exposure to risks from these investments as follows:
Credit risk ____
Market risk ____
Legal Risk ____

4. Credit Risk, Interest Rate Risk, Concentration of Credit Risk, and Foreign Currency Risk Disclosures

A. Credit Risk of Debt Investments

Disclose the credit risk of debt investments by credit quality ratings as described by rating agencies as of the fiscal year end. All debt investments regardless of type can be aggregated by credit quality rating (if any are unrated, disclose that amount).

Rating	Fair Value
	$
Total	$

B. Interest Rate Risk

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.

		Investment Maturities (in Years)			
Type of Debt Investment	Fair Value	Less Than 1	1-5	6-10	Greater Than 10
U.S. Government obligations	$	$	$	$	$
U.S. Agency obligations					
U.S. Treasury obligations					
Mortgage backed securities					
Collateralized mortgage obligations					
Corporate bonds					
Other bonds					
Mutual funds					
Other					
Total debt investments	$	$	$	$	$

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

Debt Investment	Fair Value	Terms
	$	
Total	$	

C. Concentration of Credit Risk

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

Issuer	Amount	% of Total Investments
______________	$ ______	______
______________	______	______
______________	______	______
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.

	Fair Value in U.S. Dollars	
Foreign Currency	Bonds	Stocks
______________	$ ______	$ ______
______________	______	______
______________	______	______
Total	$ ______	$ ______

5. Policies

Briefly describe the deposit and/or investment policies related to the custodial credit risk, concentration of credit 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 INVESTMENTS HELD OUTSIDE OF STO

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 June 30, ___, 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 agreements ____________________________

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 as of the Balance Sheet date

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 June 30, ___, to repurchase securities under yield maintenance agreements____

k. Market value on June 30, ___, 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 that 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. GENERAL FIXED ASSETS **- CAPITAL LEASES ONLY**

List, individually, those items of movable property with a value of $5,000 or above (attach additional sheets as needed) and those buildings with a value of $100,000 or above that are under capital leases (See definition on page 12). We no longer need a complete list of General Fixed Assets. The total must agree with the historical cost reflected in Column 1 of Note M (2) Schedule A.

Description of Item	Movable Property Tag No.	Date Acquired	Historical Cost of Each Item
____________	____________	____________	$ ____________
____________	____________	____________	____________
____________	____________	____________	____________
____________	____________	____________	____________

E. INVENTORY OF MATERIALS AND SUPPLIES

In general, inventories are recorded as an expenditure when purchased. The cost value of inventory, determined under (perpetual or periodic) inventory system using the (FIFO, LIFO, etc.) valuation method, at the date of the financial statement is presented within the asset portion of the statement. A fund balance reserve for inventory equal to the amount of inventory is used to indicate that inventory is not an "available expendable resource". **NOTE: Do not include postage as inventory, include as prepayments, if material.**

F. SEEDS

The agency is in receipt of a seed in the amount of $_________________ as authorized by the joint approval of the State Treasurer and the Commissioner of Administration and drawn against the State Treasurer. The seed represents a liability to the unit and must be repaid if not reauthorized annually.

The breakdown of advances by unit are as follows:

	Fund	Date Authorized		Amount
1.	________________________	________________	$	____________
2.	________________________	________________		____________
3.	________________________	________________		____________
4.	________________________	________________		____________
	Total		$	____________

G. DEFERRED REVENUE

Deferred revenue represents revenue (generally federal) that was received during fiscal year 2006 and not yet earned. Certain federal grants may fit this description. The deferred revenue amount(s) is/are $______________________________ (federal), $__________________ (self-generated), and/or $________________________(IAT).

H. OPERATING AND CAPITAL GRANTS FOR GASB 34 PRESENTATION

For OSRAP to complete the GASB 34 presentation, provide the following: the total operating grants and contributions were $______________________, and the total capital grants and contributions were $__________________________.

1) Operating Grants-represent the total amount of the grant revenues for the year that are restricted by the grantor for operating purposes or that may be used for either capital or operating purposes at the discretion of the grantee.
2) Capital Grants-represent the total amount of the revenues for the year from grants restricted by the grantor for the acquisition, construction, or renovation of capital assets.

The sum of both should equal total federal revenues plus federal accruals**.**

I. JUDGMENTS, CLAIMS, AND SIMILAR CONTINGENCIES

Obligations and losses arising from judgments, claims, and similar contingencies are paid through the state's self-insurance fund and are not reflected in the accompanying special purpose financial statements. The self-insurance fund is operated by the Office of Risk Management, the state agency responsible for the state's risk management program.

Liability for claims and judgments should include specific incremental claim expenditures/expenses if known, or if it can be estimated (e.g., legal fees for outside legal assistance).

NOTE: Should you have claims which have not been submitted to Risk Management, include a schedule of these claims.

Those agencies collecting federal funds, who have been informed that certain of their previously claimed costs were disallowed, should disclose the requested information in the schedule shown below. Show each possible disallowance separately.

Program	Date of Disallowance	Amount	Probability of Payment*	Estimated Settlement Amount
1.__________	___________	$__________	___________	$__________
2. _________	___________	__________	___________	__________
3. _________	___________	__________	___________	__________
4. _________	___________	__________	___________	__________
5. _________	___________	__________	___________	__________
6. _________	___________	__________	___________	__________

* Remote, reasonably possible, probable, or unknown

Claims and litigation cost of $_________ were incurred in the current year.

J. LEAVE

1. 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. Act 343 of 1993 allows members of the Louisiana State Employees' Retirement System, upon application for retirement, the option of receiving an actuarially determined lump sum payment for annual and sick leave which would otherwise have been used to compute years of service for retirement. The liability for unused annual leave payable at June 30, ___, computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards Section C60.104, is estimated to be $___________. The leave payable is not recorded in the accompanying financial statements.

Civil Service General Circular Number 001155 states that classified employees belonging to the Teacher’s Retirement System of Louisiana and to the Louisiana School Employee’s Retirement System are not eligible for payment of unused sick leave upon retirement or death. L.R.S. 17:425 on the other hand provides for payment for up to 25 days of unused sick leave for members of these two systems. In Opinion Number 94-373, the Attorney General opined that the Civil Service Commission had jurisdiction over classified employees and therefore those members are not eligible for payment of unused sick leave. Because the Commission has no authority over unclassified employees, those members are eligible to receive such compensation. Should you have employees who upon retirement - or their heirs upon the employee's death - are compensated for up to 25 days of unused sick leave disclose the liability. The liability for this unused sick leave payable at June 30, 20____ is $_________________________.

2. Compensatory Leave (Use for Non-Exempt Employees)

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 employee's hourly rate of pay at termination or transfer. The liability for accrued payable compensatory leave at June 30, ___ computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards, Section C60.104 is estimated to be $_________. The leave payable (is) (is not) recorded in the accompanying financial statements.

K. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS PER GASB 12

LRS 42:821 through 42:880 establishes the self-insured and self-funded state employees group health care and life insurance program and authorizes the _______________________ agency to provide certain continuing health care and life insurance benefits for its retired employees. Substantially all of the agency's employees become eligible for those benefits if they reach normal retirement age while working for the agency. Monthly premiums are paid jointly by the employees and the employer (from the agency appropriation) for both retirees' and active employees' benefits regardless of whether benefits are provided by Group Benefits or one of the HMOs authorized by Group Benefits. The agency recognizes the cost of providing benefits as an expenditure when paid during the year. For the year ended June 30, ___, the costs of retirees' benefits totaled $___________, while the number of retirees is _______. (As defined by the GASB Statement 12, dependents of a retiree should be counted as a single unit if the retiree is deceased and should not be counted if the retiree is alive.) The cost of retirees' benefits is net of participant's contribution**. (NOTE: Ensure that the number of retirees is disclosed.)**

L. ENCUMBRANCES

The following are multi-year contracts whose payments are to be liquidated with statutorily dedicated funds **only**: (Show each year separately). The General Fund is not shown. An example would be certain payments made by the Department of Natural Resources. Obligations are made against the Wetlands Conservation and Restoration Fund for contracts which are let for two to five years in the future. **Be sure that you do not double count cooperative endeavors that are reported in note V.**

Examples:

Wetlands Fund ____

Lottery Proceeds Fund ____

____

____

____

M. LEASE AND RENTAL COMMITMENTS

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

Lease agreements, if any, have non-appropriation exculpatory clauses that allow lease cancellation if the Legislature does not make an appropriation for its continuation during any future fiscal period. Total operating lease expenditures for fiscal year ___ - ___ amounted to $__________________.

1. **OPERATING LEASES**

Operating leases are all leases which do not meet the criteria of a capital lease. Operating leases are grouped by nature (i.e. office space, equipment, etc.) and the annual rental payments for the next five fiscal years are presented in the following schedule. **NOTE: If lease payments extend past FY2016, create additional columns and report these future minimum lease payments in five year increments.**

Nature of lease	FY2007	FY2008	FY2009	FY2010	FY2011	FY 2012-2016
a. Office space	$ ________	$ ________	$ ________	$ ________	$ ________	$ ________
Less leases on state office buildings financed through OFC.	________	________	________	________	________	________
b. Equipment	________	________	________	________	________	________
c. Land	________	________	________	________	________	________
d. Other	________	________	________	________	________	________
Total	$ ________	$ ________	$ ________	$ ________	$ ________	$ ________

Rental expense for operating leases with scheduled rent increases is based on the relevant lease agreement except in those cases where a temporary rent reduction is used as an inducement to enter the lease. In those instances, rental expense is determined on either a straight-line or interest basis over the term of the lease, as required by GASB 13, and not in accordance with lease terms. The agency does (does not) have leases with scheduled rent increases due to temporary rent reductions used as an inducement to enter the lease. The resulting revenues/expenses are (are not) shown on the statement of operations. If not included on the statement of operations, attach a schedule listing all such leases.

2. CAPITAL LEASES AND LEASE PURCHASES - Do not include leases on state office buildings financed through Office Facilities Corporation

Capital leases are defined as an arrangement in which any one of the following conditions apply (l) ownership transfers by the end of the lease, (2) the lease contains a bargain purchase option, (3) the lease term is 75% of the asset life or (4) the discounted minimum lease payments are 90% of the fair market value of the asset.

Schedule A should be used to report all capital leases including new leases in effect as of 6/30/06. In schedule B, report only those new leases entered into during fiscal year 2005-2006. Note: LEAF leases should not be included in Schedule A or B.

SCHEDULE A – CAPITAL LEASES EXCEPT LEAF LEASES

Nature of lease	Gross amount of leased asset (historical cost)	Remaining interest and executory costs to end of lease	Remaining principal to end of lease	Fund that pays lease
a. Office space	$	$	$	
b. Equipment				
c. Land				
Total	$	$	$	

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of June 30, 2006: **NOTE: If lease payments extend past FY2026, create additional columns and report these future minimum lease payments in five year increments.**

	Total
2007	$
2008	
2009	
2010	
2011	
2012-2016	
2017-2021	
2022-2026	
Total minimum lease payments	
Less amounts representing executory costs	( )
Net minimum lease payments	
Less amounts representing interest	( )
Present value of net minimum lease payments	$

SCHEDULE B – NEW AGENCY CAPITAL LEASES EXCEPT LEAF

Nature of lease	Gross Amount of Leased Asset (Historical Cost)	Remaining interest to end of lease	Remaining principal to end of lease	Fund that pays lease
a. Office space	$	$	$	
b. Equipment				
c. Land				
Total	$	$	$	

Following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of June 30, 20___: **NOTE: If lease payments extend past FY2026, create additional columns and report these future minimum lease payments in five year increments.**

	Total
2007	$ ____________
2008	____________
2009	____________
2010	____________
2011	____________
2012-2016	____________
2017-2021	____________
2022-2026	____________
Total minimum lease payments	____________
Less amounts representing executory costs	(____________)
Net minimum lease payments	____________
Less amounts representing interest	(____________)
Present value of net minimum lease payments	$ ____________

3. REVENUE LEASES

LESSOR DIRECT FINANCING LEASES

A lease is classified as a direct financing lease when (1) any one of the four capitalization criteria used to define a capital lease for the lessee is met and (2) both the following criteria are satisfied:

- Collectibility of the minimum lease payments is reasonably predictable.
- No important uncertainties surround the amount of the unreimbursable costs yet to be incurred by the lessor under the lease.

Provide a general description of the direct financing agreement, and complete the schedule below.

Composition of lease	Minimum lease payment receivable	Remaining interest to end of lease	Remaining principal to end of lease
a. Office space	$ ______________	$ ______________	$ ______________
b. Equipment	______________	______________	______________
c. Land	______________	______________	______________
Less amounts representing executory costs	(______________)		
Minimum lease payment receivable	______________		
Less allowance for doubtful accounts	(______________)		
Net minimum lease payments receivable	______________		
Less Estimated Residual Value of Leased Property	(______________)		
Less unearned income	(______________)		
Net investment in direct financing lease	$ ______________		

Minimum lease payments do not include contingent rentals which may be received as stipulated in the lease contracts. Contingent rental payments occur if for example the use of the equipment, land, or building etc., exceeds a certain level of activity each year. Contingent rentals received for fiscal year 2006 were $ ___________for office space, $ ____________ for equipment, and $ _____________ for land.

The agency received lease revenues for _________________________. Total revenues for fiscal year 20__ - 20__ totaled $_______________. The following is a schedule by years of minimum lease receivable for the five succeeding fiscal years as of June 30, 2006: **NOTE: If lease receivables extend past FY2026, create additional columns and report these future minimum lease receivables in five year increments.**

	Minimum Lease Receivables
2007	$ ______________________
2008	______________________
2009	______________________
2010	______________________
2011	______________________
2012-2016	______________________
2017-2021	______________________
2022-2026	______________________
Total	$ ______________________

4. LESSOR - Operating Lease

When a lease agreement does not satisfy at least one of the four criteria for reporting as a capital lease (common to both lessee and lessor accounting), and both of the criteria for a lessor (collectibility and no uncertain reimbursable costs), the lease is classified as an operating lease. In an operating lease, there is no simulated sale and the lessor simply records rent revenues as they become measurable and available.

Provide the cost and carrying amount, if different, of property on lease or held for leasing organized by major class of property and the amount of accumulated depreciation (optional for Governmental Funds) as of June 30, ____.

	Cost	Accumulated Depreciation	Carrying Amount
a. Office Space	$ ____________	$ _______________	$ ____________________
b. Equipment	____________	_______________	____________________
c. Land	____________	_______________	____________________
Total	$ ____________	$ _______________	$ ____________________

The following is a schedule by years of minimum future rentals on noncancellable operating lease(s) as of __________ (last day of fiscal year): **NOTE: If lease receivables extend past FY2016, create additional columns and report these future minimum lease receivables in five year increments.**

Nature of lease	FY2007	FY2008	FY2009	FY2010	FY2011	2012-2016
a. Office space	$ __________	$__________	$__________	$__________	$__________	$__________
b. Equipment	__________	__________	__________	__________	__________	__________
c. Land	__________	__________	__________	__________	__________	__________
d. Other	__________	__________	__________	__________	__________	__________
Total minimum future rentals	$ __________	$__________	$__________	$__________	$__________	$__________

Current Year lease revenues received in fiscal year_______ totaled $___________.

Contingent rentals received from operating leases for fiscal year 2006 were $__________ for office space, $ ____________ for equipment, and $ _____________ for land.

N. RELATED PARTY TRANSACTIONS

List all related party transactions as defined by FASB 57 including the description of all relationships, the transactions, the dollar amount of the transactions and any amounts to or from which result from related party transactions.

O. ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES

On-behalf payments for fringe benefits and salaries are direct payments made by one entity to a third-party recipient for the employees of another, legally separate entity. One of the two entities party to on-behalf payments for fringe benefits and salaries may be a non-governmental entity. On-behalf payments include pension plan contributions, employee health and life insurance premiums, and salary supplements or stipends.

1. Reporting:
   a. Employer Entity:

      The amount of revenues recognized (received) during the year plus any receivables at year end by third-party recipients for fiscal year _______ is $____________.

The amount of expenditures/expenses when the employer entity is not legally obligated to make payments is recognized as the amount of revenues recognized. The amount of expenditures/expenses recognized for fiscal year _______ is $___________.

The amount of expenditures/expenses when the employer entity is legally obligated to make payments is recognized based on the accounting standards applicable to that type of transaction. For example, if contributions are made to a pension plan, the expenditure/expense should be recognized following pension accounting standards. The amount of expenditures/expenses recognized for fiscal year _______ is $ ____________.

b. Paying Entity:

A paying entity would not recognize any revenues for on-behalf payments for fringe benefits.

The amount of expenditures/expenses recognized and classified by the paying entity is the same amount it would use to classify similar cash grants to other entities. The amount of expenditures/expenses recognized for fiscal year ______ is $________________.

2. Disclosure:
The following on-behalf payments that are contributions to a pension plan for which the agency is not legally responsible are:

Contributor	Pension Plan

P. PASS-THROUGH GRANTS

Pass-through grants are grants and other forms of financial assistance received by governmental entities to be transferred to or spent, according to legal or contractual requirements, on behalf of secondary recipients, which may or may not be governmental entities or agencies. **Report only the pass-through grants that are in the agency's revenue and expenditure statements in this packet. Do not report pass-through arrangements in this note where the state functions as a pure cash conduit. To function as a pure cash conduit, the state must have no administrative involvement with the program, and the state may have no direct financial involvement with the grant program. Pure cash conduits should be reported in the Escrow Fund (Schedule 6-1.) Separate each type of grant and provide totals.** Pass-through grants are grants which meet any of the following criteria:

a) The government entity monitors secondary recipients for compliance with program requirements.

b) The governmental entity determines secondary recipient's eligibility even if the grantor's eligibility criteria are used.
c) The governmental entity is able to determine how grant funds are to be allocated.
d) The governmental entity has direct financial involvement in administration of the grant, such as financing part of the program costs for matching purposes or being liable for disallowed costs. This does not apply to incidental administrative costs.

Grant Name	Federal Identification Number	Amount
____________	____________	$ ____________
____________	____________	____________
____________	____________	____________
____________	____________	____________

Q. IN-KIND CONTRIBUTIONS

(List all in-kind contributions that are not included in the accompanying financial statements.)

In-Kind Contributions	Cost/Estimated Cost/ Fair Market Value as Determined by Grantor
____________	$____________
____________	____________
____________	____________
____________	____________
____________	____________
Total	$____________

(NOTE: In-kind contributions represent things of value donated or received by your agency from an outside source which would otherwise create an expenditure to the agency if the agency was required to purchase the goods or services from current resources. Examples are 1) pharmacy items donated to a state hospital from a pharmaceutical company, 2) food items donated to a state prison from the U.S. Department of Agriculture, or 3) donated fixed assets, recorded at fair market value, and also recorded in general fixed assets. Do not include within the in-kind contribution funds contributed by local governments or nonprofit organizations to provide program matching shares.

R. PAYROLL AND RELATED BENEFITS ACCRUAL

Agencies will be required to reflect the 2005-2006 accrued personal services cost for this fiscal year on the accompanying financial statement. The following schedule will aid you in doing so. As most agency units pay their employees biweekly this would require a fiscal year 2004-05 accrual calculation based on eight (9) days and the fiscal year 2005-06 calculation will be based on nine (10) days. Agencies must also determine the federal match on this accrual calculation.

		FY 2004-05	FY 2005-06
1.	07/8/05 Payroll (gross & related)	$__________	
2.	07/7/06 Payroll (gross & related)		$__________
		X 90.0%	X 100.0%
2a.	Payroll accrual	__________	__________
2b.	Add voids and supplementals (off cycle) paid in the 45 day close with prior year appropriations.	__________	__________
3.	Total payroll accruals	$ __________	$ __________
4.	Estimated federal receivable attributed to the accrual shown above	$__________	$ __________

Total Agency Expenditures

5.	Total programs from Schedule 1	__________
6.	Less: 2004-05 accrual from line 3, column 1 above	__________
7.	Plus: 2005-06 accrual from line 3, column 2 above	__________
8.	To Statement B (this should be the total for *all* programs)	$ __________

Total Federal Revenue

9.	Federal Funds from Schedule 3, column VIII, line A or Schedule 3-1, column V, line 1 (Federal)	__________
10.	Less: 2004-05 accrual from line 4, column 1 above	__________
11.	Plus: 2005-06 accrual from line 4, column 2 above	__________
12.	Less: Deferred Revenue from Note G (Federal)	__________
13.	To Statement B (line 4) Federal Funds	$ __________

Accrual by Programs:	Payroll	Federal Receivable
Program 1____________________	$__________	$__________
Program 2____________________	__________	__________
Program 3____________________	__________	__________
Program 4____________________	__________	__________
Total	$__________	$__________

S. TOTAL COLUMNS ON COMBINED STATEMENTS – MEMORANDUM ONLY

Total columns on the combined statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations. Neither is such data comparable to a consolidation.

T. FUND DEFICITS

The following individual funds had deficits for the year ended June 30, __:

Fund	Amount
____________________	$__________
____________________	__________
____________________	__________
Total	$ __________

These deficits were the results of (describe): ______________________________
____
____
The deficits will be resolved (describe): ______________________________
____
____

U. RESERVE FOR CONTINUING OPERATION (S)

The unit is by statute allowed to retain residual fund balance in order to finance future operations. For the fiscal year ended June 30, ___, $_________ was the amount reserved.

Office/Fund	Louisiana Revised Statutes	Reserve for Continuing Operations
____________________	__________	$__________
____________________	__________	__________
____________________	__________	__________
____________________	__________	__________
____________________	__________	__________
Total		$__________

V. COOPERATIVE ENDEAVORS

LRS 33:9022 defines cooperative endeavors as any form of economic development assistance between and among the state of Louisiana, its local governmental subdivisions, political corporations, public benefit corporations, the United States government or its agencies, or any public or private association, corporation, or individual. The term cooperative endeavor includes cooperative financing, cooperative development, or any form of cooperative economic development activity. The state of Louisiana has entered into cooperative endeavor agreements with certain entities aimed at developing the economy of the state.

Some cooperative endeavor contracts are not coded with a document type of "COP" on the Contract Financial Management Subsystem (CFMS), but are considered cooperative endeavors. Please include these with your cooperative endeavor listed below. Examples of cooperative endeavors not coded as COP on CFMS include contracts that fall under delegated authority, Facility Planning and Control "CEA" contracts, certain federal government contracts, contracts that legislative auditors may have designated as such within your agency, work incumbent programs, etc. In prior years, this information was requested as supplemental documentation after the AFRs were submitted, usually in October or November**.**

The liability outstanding for fiscal year ending June 30, 2006, by funding source, is as follows:

Funding Source		Balance June 30, 2006
State General Fund	$	________
Self-generated revenue		________
Statutorily dedicated revenue		________
General obligation bonds		________
Federal funds		________
Interagency transfers		________
Other funds/combination		________
Total	$	________

Be sure that you do not double count encumbrances reported in note L.

NOTE: Amounts in excess of contract limits cannot be used to reduce the outstanding contract balance at June 30, 2006. For example, if a contract specifies a percentage of usage for each month (25%) and usage exceeds that percentage (75%), you cannot claim actual usage that exceeds contract requirements (50%).

NOTE: In order to compute your ending balances by funding source, you should begin with your balances at June 30, 2005. These amounts will be increased by amounts for new contracts and amendments and decreased for payments as well as for liquidations.

W. GOVERNMENT-MANDATED NONEXCHANGE TRANSACTIONS (GRANTS)

The following government-mandated nonexchange transactions (grants) were received during fiscal year 2005-06:

CFDA Number	Program Name	State Match Percentage	Total Amount of Grant
________	____________________	______%	$ ________
________	____________________	________	________
________	____________________	________	________
________	____________________	________	________
________	____________________	________	________
________	____________________	________	________
________	____________________	________	________
________	____________________	________	________
Total government-mandated nonexchange transactions (grants)			________

X. SUBSEQUENT EVENTS (Describe)

See definition on page 21 of instructions.

____

____

____

____

Y. INFRASTRUCTURE

Infrastructure is defined as long-lived capital assets associated with governmental activities that normally are stationary in nature and can be preserved for a significantly greater number of years than most capital assets. Examples include roads, bridges, tunnels, street signage, street lamps, traffic signals, drainage systems, water and sewer systems, dams, and lighting systems.

Each agency with infrastructure assets is required to track infrastructure expenditures to determine if the year's expenditures would be above the $3 million threshold per infrastructure asset. List individually those infrastructure items with a value of $3,000,000 per infrastructure asset, per year:

Description of Infrastructure	Cost
____________________	**$** ____________
____________________	____________
____________________	____________
____________________	____________

Z. LAND AND LAND IMPROVEMENTS (not reported to State Land Office or Facility Planning and Control)

Some agencies may acquire land or make land improvements that are not reported to the State Land Office or Facility Planning and Control. Land improvements are those betterments, improvements, and site preparations that ready land for its intended use. Some examples of land improvements would be excavation, filling, grading, and demolition of existing buildings, and removal or relocation of other property (telephone or power lines). Other land improvements are built or installed to enhance or facilitate the use of the land for a particular purpose and may include walking paths and trails, fences and gates, landscaping, sprinkler systems, fountains, and beaches. Land and land improvements should be reported at cost, estimated cost, or estimated fair value at date of acquisition and should include all expenses necessary to obtain title such as legal fees.

List individually all land acquisitions and any improvements to land that the agency has made during the fiscal year that is not reported to the State Land Office or Facility Planning and Control:

Description of Land or Improvement	Cost
____	$ ________________________
____	________________________
____	________________________
____	________________________

AA. IMPAIRMENT OF CAPITAL ASSETS

GASB 42 establishes accounting and financial reporting standards for impairment of capital assets. Governments are required to evaluate prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. A capital asset generally should be considered impaired if both (a) the decline in service utility of the capital asset is large in magnitude and (b) the event or change in circumstance is outside the normal life cycle of the capital asset. See Appendix B for more information on GASB 42 and Impaired Capital Assets.

OSRAP has a list of state buildings that have been impaired and OSRAP will calculate the impairment loss for buildings and movable property; however, we do not have impairment information for movable property. Please complete the table below for impaired movable property. (There are five different indicators of impairment described in Appendix B, (1) Physical damage, (2) enactment of laws, etc. List the appropriate number (1-5) to identify the indicator of impairment in the last column.)

Type of movable property or equip.	Tag #	(Estimated) Restoration Cost	Orig.cost + additions & modifications	Replace-ment Value	Insurance Recovery in the same FY	Indicator of Impairment

If your entity has capitalized infrastructure assets (expenditures of $3 million per agency per year) that have been impaired as described in Appendix B, please provide the following information: (Note: The amount of impairment loss for infrastructure will equal be the actual restoration cost or estimated restoration cost, if restoration has not been completed. The impairment loss is calculated differently than buildings and movable property because the state uses the Wooster Method to capitalize infrastructure.)

Description	Amount of Impairment Loss Before Insurance Recovery	Indicator of Impairment	Insurance Recovery in Same Year	Reason for Impairment (e.g. hurricane)

The carrying amount of impaired capital assets that are idle at year-end should be disclosed, regardless of whether the impairment is considered permanent or temporary. The following capital assets were idle at the end of the fiscal year. (Include the capital assets listed above that were idle at the end of the fiscal year.)

Type of asset	Tag number(s) or building ID(s)	Carrying Value
Buildings	________	$ ________
	________	________
	________	________
Movable Property	________	$ ________
	________	________
	________	________
Infrastructure	________	$ ________

BB. EMPLOYEE TERMINATION BENEFITS

Termination benefits are benefits, other than salaries and wages that are provided by employers as settlement for involuntary terminations initiated by management, or as an incentive for voluntary terminations initiated by employees. Involuntary termination benefits include benefits such as payment for unused leave balances. Voluntary termination benefits include benefits such as enhanced early retirement options resulting from an approved early retirement plan and payment for unused leave balances.

Other termination benefits may include:

1. Early retirement incentives, such as cash payments, enhancement to defined benefit formula
2. Health care coverage when none would otherwise be provided (COBRA)
3. Compensated absences, including payments for leave balances
4. Payments due to early release from employment contracts

GASB 47 requires the following disclosures about an employer's accounting for employee termination benefits.

1. A description of the termination benefit arrangement(s).
2. Year the state becomes obligated
3. Number of employees affected
4. Cost of termination benefits
5. Type of benefit(s) provided
6. The period of time over which the benefits are expected to be provided
7. If the termination benefit affects the defined benefit pension (OPEB) obligations, disclose the change in the actuarial accrued liability for the pension or OPEB plan attributable to the termination benefit.
8. When termination liabilities are reported, disclose the significant methods and assumptions used to determine the liabilities to be disclosed (for as long as the liability is reported).

The GASB 47 note disclosures listed below are provided as an example and should be modified as necessary.

Substantially all employees are eligible for termination benefits upon separation from the state. The agency recognizes the cost of providing these benefits as expenditures when paid during the year. For 2006, the cost of providing those benefits for _____ (number of) voluntary terminations totaled $_________. For 2006, the cost of providing those benefits for _____ (number of) involuntary terminations totaled $_________.

The liability for the accrued voluntary terminations benefits payable at June 30, _____ is $_________. This liability consists of _________ (number of) voluntary terminations. The liability for the accrued involuntary terminations benefits payable at June 30, ______ is $_________. This liability consists of _________ (number of) involuntary terminations.

If a termination benefit is not recognized because the expected benefits are not estimable, the employer should disclose that fact. Briefly describe termination benefits provided to employees as discussed above. If none, please state that fact.

____
____
____

A terminated employee can continue to access health benefits, however, if the COBRA participant is paying the ENTIRE premium then there is no state contribution on behalf of this individual. Therefore, when a terminated employee pays 100% of the premium, the state would not have a termination liability.

Information for Note C "Deposits with Financial Institutions and Investments"
(GASB Statement 3 Amended by GASB Statement 40)

I. Purpose:
Note C provides the required disclosures about the governmental entities' deposits with financial institutions and investments. The disclosures required for deposits and investments as of the fiscal year ended date provides information about the credit risk and market risk of the deposits and investments and are designed to provide users of the financial statements information about the potential for losses associated with the deposits and investments. GASB Statement 40 has modified or eliminated portions of GASB Statement 3 including:

- modified the custodial credit risk disclosures of Statement 3 for deposits and investments to limit the required disclosure to only those exposed to custodial credit risk (similar to GASB 3's category 3).
- established or modified disclosure requirements related to concentrations of credit risk of investments, credit risk of debt investments, and interest rate risks of debt investments (including sensitivity to changes in interest rates), and
- established disclosure requirements for foreign currency risks for both deposits and investments.

Although GASB Statement 40 eliminated some of the disclosures required for custodial credit risk (the three categories for example), the total reported amounts of all deposits and investments must still be reported.

II. Comparison of amounts disclosed per requirements in Note C to amounts shown on the Balance Sheet (if Balance Sheet is required as part of AFR packet):

- Generally, the amounts of cash and investments on the balance sheet will not be classified exactly the way they would be classified in Note C.
- "Deposits with Financial Institutions" and "Investments" in Note C may be reported on the balance sheet using titles or line items that are different than those in Note C, or they may be combinations of titles or line items. For instance, "Deposits" in Note C may come from several line items on the balance sheet such as "Cash in Bank" and "CD's", or even "Investments" (See section III below that gives further guidance on what should be considered "Deposits" in note C).
- Line items on the balance sheet may include amounts that would be deposits in Note C, and may also include amounts that would be investments in Note C. Also, cash and cash equivalents line items on the balance sheet may include amounts that are not deposited in bank accounts of the entity and therefore would not be reported in Note C as deposits but as separate line items such as petty cash, cash on hand, and treasury cash. These amounts must be reported separately from the deposits in Note C.
- Each line item on the balance sheet that involves cash or investments, including any restricted cash and/or investments, needs to be analyzed to determine what is included in the item and how it should be disclosed in Note C.

III. "Deposits with Financial Institutions" section of Note C:

- Generally, this section of the Note C disclosure refers to the various examples of "Deposits with Financial Institutions" (See "A" below for examples). The term "cash and cash equivalents" is used in reference to GASB Statement 9 that affects presentation for the balance sheet and statement of cash flows, not the note disclosures required by GASB Statement 3 & 40. "Deposits with Financial Institutions" include deposit accounts in banks, savings and loan associations, and credit unions. They can be demand, savings, or time accounts, including negotiable order of withdrawal (NOW) accounts and non-negotiable CD's.

As stated previously, deposits for Note C may be a combination of balance sheet line items or titles.

- Do not include treasury cash, petty cash not in a bank account, or cash on hand in Note C as part of the deposits in bank accounts. As mentioned previously, these amounts would be reported separately.

A. Examples and/or definitions:

Nonnegotiable Certificates of Deposit – Nonnegotiable CDs are time deposits that are placed by depositors directly with financial institutions and generally are subject to a penalty if redeemed before maturity. These are treated as deposits for GASB 3 Note C disclosures. (Negotiable CDs are securities that are normally sold in $1 million units that are traded in a secondary market. These are treated as investments for Note C disclosures.)

Money Market Accounts – financial institution "money market" accounts are simply deposits that pay interest at a rate set to make the accounts competitive with money market mutual funds. They should be treated like any other deposit account for Note C disclosures.

Bank Investment Contracts (BICs) – A BIC is a general obligation instrument issued by a bank, typically to a pension plan, that provides for a guaranteed return on principal over a specified period . Since these are issued by a bank, they are treated as deposits for Note C disclosures.

B. Other definitions as applied to deposits:

Insured (Insurance) – deposits are insured by federal deposit insurance (FDIC), state deposit insurance, multiple financial institution collateral pools that insure public deposits, and even commercial insurance (if scope of coverage would be substantially the same as FDIC).

Collateral – Security pledged by a financial institution to a government entity for its deposits.

IV. "Investments" section of Note C:

- Types of investments for listing investments by type definitions/examples:

  1. Repurchase Agreements – An agreement in which a governmental entity (buyer-lender) transfers cash to a broker-dealer or financial institution (seller-borrower): the broker-dealer or financial institution transfers securities to the entity and promises to repay the cash plus interest in exchange for a) the same securities, or for b) different securities.
  2. U.S. Government Obligations – examples include treasury bills, treasury notes and treasury strips; obligations of certain U.S. Government Agencies such as FNMA, FHLB, or SLMA.
  3. Common & Preferred Stock – a security that represents an ownership interest in an entity.
  4. Commercial Paper (mortgages, notes, etc.) – An unsecured promissory note issued primarily by corporations for a specific amount and maturing on a specific day. Almost all commercial paper is rated as to credit risk by rating services.
  5. Corporate Bonds
  6. Other (identify) – It is not appropriate to present material amounts of investments as "Other", unless the note disclosure describes the composition of the "Other" category. The following are examples of other investments:

     a. Closed-end Mutual Fund – The investment company sells shares of its stock to investors and it invests on the shareholders' behalf in a diversified portfolio of securities. A closed-end mutual fund has a constant number of shares, the value depends on the market supply and demand for the shares rather than directly on the value of the portfolio, the fund does issue certificates, and the securities are traded on a stock exchange.

     b. Open-end Mutual Funds – The investment company sells shares of its stock to investors and it invests on the shareholders' behalf in a diversified portfolio of securities. In contrast to a closed-end mutual fund, the open-end mutual fund creates new shares to meet investor demand, the value depends directly on the value of the portfolio, and the fund does not issue certificates but sends out periodic statements showing account activity. These investments are not evidenced by securities that exist in physical or book entry form.

c. Reverse Repurchase Agreements - An agreement in which a broker-dealer or financial institution (buyer-lender) transfers cash to a governmental entity (seller-borrower); the entity transfers securities to the broker-dealer or financial institution and promises to repay the cash plus interest in exchange for a) the same securities, or for b) different securities.

d. Investments in pools managed by another government - Generally, these investments would not be exposed to custodial credit risk because the investments themselves are not evidenced by securities that exist in physical or book entry form.

e. Private placements, such as venture capital and limited partnerships

f. Investments in real estate, annuity contracts, and direct investments in mortgages

V. Risk Disclosures for Deposits and Investments:

- Deposits and investments are subject to several types of risks, mainly credit risk, market risk, interest rate risk, and foreign currency risk.

Credit risk - defined as the risk that a counterparty to an investment transaction will not fulfill its obligations and can be associated with the issuer of securities, with a financial institution holding deposits, or with a party holding investment or collateral securities.

Concentration of credit risk – defined as the risk of loss attributed to the magnitude of a government's investment in a single issuer.

Market risk – defined as the risk that the market value of investment securities, collateral securities protecting a deposit, or securities of a repurchase agreement will decline.

Interest rate risk – defined as the risk that changes in interest rates will adversely affect the fair value of an investment.

Foreign currency risk – defined as the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit.

A. Custodial Credit Risk Disclosures for Deposits:

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

Collateral – Securities pledged by the financial institution for the purpose of securing the governmental entity's deposits.

Collateralized – When the entity's deposits are secured with securities pledged by the financial institution holding the deposits.

GASB Statement 40 amended GASB Statement 3 to eliminate the requirement to disclose all deposits by the three categories of risk. 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 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.

B. Custodial Credit Risk Disclosures for Investments:

Following GASB Statement 3, investments (listed by type) were either classified into three categories (depending on whether they are insured or registered and who holds the securities and how they are held), or listed as non-classified investments.

GASB Statement 40 amended GASB Statement 3 to eliminate the requirement to disclose all investments by the three categories of risk. GASB Statement 40 requires only the separate disclosure of investments that are considered to be exposed to custodial credit risk. However, 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.

C. Additional Risk Disclosures for Required by GASB Statement 40:

Credit Risk - Disclose the credit risk of debt investments by credit quality ratings as described by rating agencies as of the fiscal year end. All debt investments regardless of type can be aggregated by credit quality rating (if any are un-rated, disclose that amount).
Interest Rate Risk - Disclose the interest rate risk of debt investments by listing the investment type, total fair value, and breakdown of maturity in years of those investments. In addition, list the fair value and terms of any debt investments that are highly sensitive to changes in interest rates due to the terms of the investment (e.g. coupon multipliers, reset dates, etc.).
Concentration of Credit Risk - List, by amount and issuer (not including U.S. government securities, mutual funds, and investment pools), investments in any one issuer that represents 5% or more of total investments.
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 these by currency denomination and investment type, if applicable.
Deposits and Investments Policies Relating to Risk - 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, that fact should be stated.

VI. Securities as Applied to Credit Risk of Deposits and Investments:
Securities defined – a transferable financial instrument that evidences ownership or creditorship. Securities can be in either paper or book-entry form.

1. Examples of securities that are often held by or pledged to (as collateral) governmental entities include:
a. treasury bills, treasury notes, treasury bonds
b. federal agency obligations
c. corporate debt instruments (including commercial paper)
d. corporate equity instruments
e. negotiable CD's (keyword here is negotiable)
f. bankers' acceptances
g. shares of closed-end mutual funds (keyword here is closed-end)
h. shares of unit investment trusts

2. Instruments or investments that are not securities include:
a. investments made directly with another party (such as limited partnerships)
b. real estate
c. direct investments in mortgages and other loans
d. investments in open-ended mutual funds (keyword here is open-ended)
e. pools managed by other governments
f. annuity contracts

INFORMATION FOR NOTE AA: IMPAIRMENT OF CAPITAL ASSETS

GASB 42 establishes accounting and financial reporting standards for impairment of capital assets. Governments are required to evaluate prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. GASB 42, paragraph 9 outlines five (5) common "indicators of impairment." They are:

1. Evidence of physical damage, such as for a building damaged by fire or flood, when the level of damage is such that restoration efforts are needed to restore service utility.

2. Enactment or approval of laws or regulations or other changes in environmental factors, such as new earthquake standards that a facility does not meet, and cannot be modified to meet.

3. Technological development or evidence of obsolescence, such as that related to a major piece of diagnostic or research equipment.

4. A change in the manner or expected duration of use of a capital asset, such as closure of a building prior to the end of its useful life.

5. Construction stoppage, such as stoppage of construction as a result of a lack of funding.

Damaged assets can be separated into the following categories:

1. assets that will not be returned to service
2. assets temporarily out of service due to needed repairs, restoration, or recertification
3. assets remaining in service but needing repair
4. assets damaged that will continue to be used that will not be repaired

If the assets are going to be restored (category 2 and 3), then they need to be evaluated for impairment per GASB 42. If the assets will no longer be used (category 1) or will not be repaired (category 4), then an impairment loss per GASB 42 does not need to be calculated for them.

For assets impaired by physical damage, the restoration cost approach should be used to calculate the impairment loss. Under this approach, the amount of the impairment loss is derived from the estimated costs to restore the utility of the capital asset. According to the standard, an asset is not considered impaired unless its decline in service utility is significant; therefore, OSRAP has established impairment thresholds for assets impaired by physical damage. In order for an asset to be considered impaired by physical damage, the restoration cost (estimated restoration cost if the asset is not fully restored) of the impaired asset must be equal to or greater than the following:

Infrastructure	All projects with actual or estimated restoration costs of $1 million
Buildings	Greater of $100,000 or 20% of the capitalized cost of the building
Movable Property	Greater of $20,000 or 20% of the capitalized cost of the asset

Infrastructure – State agencies capitalizing infrastructure using the Wooster Method have a capitalization threshold of $3 million per agency per year. Any state agency with capitalizable infrastructure expenditures should combine all restoration projects with an actual or estimated restoration cost of $1 million or greater. This amount will be the amount of the impairment loss, and will be subtracted from the current year's infrastructure asset. Infrastructure will only be considered impaired if the actual or estimated restoration costs of any particular project are equal to or greater than $1 million.

Buildings – The greater of the capitalization threshold, $100,000, or 20 percent of the capitalized costs of the building impaired by physical damage should be used as the test of whether the magnitude in the decline in service utility is significant. If the cost to restore the building is lower than the capitalization threshold or 20 percent of the capitalized cost of the impaired building (whichever is higher), we will not consider the "magnitude in the decline in service utility is significant" component of the impairment test to be met. If, however, the building's restoration costs are equal to or greater than the capitalization threshold or equal to or greater than 20 percent of the capitalized costs of the impaired building (whichever is higher), and the building's decline in service utility is "unexpected," we will conclude that the asset has met the impairment test criteria, and is impaired. Note: According to the provisions of GASB 42, an asset is impaired when there is a "significant" and "unexpected" decline in the service utility of a capital asset.

Movable property – The impairment threshold is $20,000 for movable property. In addition, the greater of the impairment threshold for movable property, $20,000, or 20 percent of the capitalized cost of the movable property should be used as the test of whether the magnitude in the decline in service utility is significant. If the cost to restore the movable property is equal to or greater than the impairment threshold, $20,000, or 20 percent of the capitalized cost of the impaired movable property (whichever is greater), and the movable property's decline in service utility is unexpected, we will conclude that the asset has met the impairment test criteria, and is impaired according to the provisions of GASB 42.

For assets impaired by enactment or approval of laws or regulations or other changes in environmental factors, technological development or evidence of obsolescence, or a change in the manner or expected duration of use, use the examples provided in GASB 42 for guidance in calculating the impairment loss. The thresholds developed by OSRAP for estimated restoration cost discussed above do not apply to these assets. Report capital assets impaired by construction stoppage at the lower of carrying value or fair value.

An insurance recovery associated with events or changes in circumstances resulting in impairment of a capital asset should be netted with the impairment loss when the recovery and the loss occur in the same year. Restoration or replacement of the capital asset using the insurance recovery should be reported as a separate transaction. Insurance recoveries should be disclosed if not apparent from the face of the financial statements.

GASB 42 requires that the carrying amount of impaired capital assets that are idle at year end be disclosed in the notes, regardless of whether the impairment is permanent or temporary. However, an impairment loss does not have to be calculated for a temporarily impaired asset. If management has to take action to reverse an impairment, such as restoration of a capital asset with physical damage, then the impairment should be considered permanent. In certain circumstances, temporary impairments could be associated with enactment or approval of laws or regulations or other changes in environmental factors, changes in technology or obsolescence, changes in manner or duration of use, or construction stoppage.