

LOUISIANA ASSET MANAGEMENT POOL
STATE OF LOUISIANA



FINANCIAL STATEMENT AUDIT
ISSUED JULY 6, 2005

**LEGISLATIVE AUDITOR
1600 NORTH THIRD STREET
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Under the provisions of state law, this report is a public document. A copy of this report has been submitted to the Governor, to the Attorney General, and to other public officials as required by state law. A copy of this report has been made available for public inspection at the Baton Rouge and New Orleans offices of the Legislative Auditor.

This document is produced by the Legislative Auditor, State of Louisiana, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397 in accordance with Louisiana Revised Statute 24:513. Three copies of this public document were produced at an approximate cost of \$8.88. This material was produced in accordance with the standards for state agencies established pursuant to R.S. 43:31. This report is available on the Legislative Auditor's Web site at www.la.state.la.us. When contacting the office, you may refer to Agency ID No. 5547 or Report ID No. 05800549 for additional information.

In compliance with the Americans With Disabilities Act, if you need special assistance relative to this document, or any documents of the Legislative Auditor, please contact Wayne "Skip" Irwin, Director of Administration, at 225/339-3800.

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June 28, 2005

Independent Auditor's Report
on the Financial Statements

**BOARD OF DIRECTORS OF THE LOUISIANA
ASSET MANAGEMENT POOL, INCORPORATED
STATE OF LOUISIANA**
New Orleans, Louisiana

We have audited the accompanying basic financial statements of the Louisiana Asset Management Pool, a component unit of the State of Louisiana, as of and for the year ended December 31, 2004, as listed in the foregoing table of contents. These financial statements are the responsibility of management of the Louisiana Asset Management Pool, Incorporated. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets of the Louisiana Asset Management Pool as of December 31, 2004, and the changes in its net assets for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

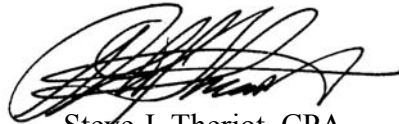
In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2005, on our consideration of the Louisiana Asset Management Pool's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, and contracts and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

LOUISIANA ASSET MANAGEMENT POOL

Management's discussion and analysis on pages 5 through 9 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Louisiana Asset Management Pool's basic financial statements. The accompanying supplementary information schedule listed in the table of contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements. The schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Respectfully submitted,



Steve J. Theriot, CPA
Legislative Auditor

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LAMP04

As management of the Louisiana Asset Management Pool ("LAMP Pool"), we offer readers of LAMP's financial statements this narrative overview and analysis of the financial activities of LAMP for the year ended December 31, 2004. LAMP is administered by Louisiana Asset Management Pool, Inc. ("LAMP, Inc.") and its activity is included in LAMP's financial statements. The two entities are collectively referred to as "LAMP."

FINANCIAL HIGHLIGHTS

- The assets of LAMP exceeded its liabilities at the close of the most recent fiscal year by \$864,156,406 (net assets).
- LAMP's total net assets decreased by \$181,100,994 in 2004.
- The number of participants increased by 20 from 493 to 513 at December 31, 2004.
- Interest and investment income decreased by \$121,089 in 2004 because of the reduction in total investments.
- Administrative expenses decreased by \$83,534 in 2004 because of management's efforts to reduce expenses.
- Total basis points charged by LAMP Pool for investment activity, administrative and custodial fees were increased by 1.25 basis points from 13.75 to 15 effective February 1, 2004, by 3 basis points effective September 1, 2004, and by 1.50 basis points to a total of 19.50 basis points effective January 1, 2005. This increases the administrative fees paid by LAMP Pool to LAMP, Inc.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to LAMP's basic financial statements. LAMP's basic financial statements comprise three components: (1) Statement of Net Assets, (2) Statement of Changes in Net Assets, and (3) Notes to the Financial Statements. These financial statements include the activities of Louisiana Asset Management Pool ("LAMP Pool") and Louisiana Asset Management Pool, Inc. ("LAMP, Inc.") that administers LAMP Pool. This report also contains a Schedule of Investments that is presented as supplementary information in addition to the basic financial statements themselves.

The Statement of Net Assets presents information on all of LAMP's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of LAMP is improving or deteriorating.

The Statement of Changes in Net Assets presents information showing how LAMP's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in

cash flows in future fiscal periods (e.g., accrued interest receivable, accrued expenses, and compensated absences payable).

Notes to the Financial Statements. The accompanying notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents supplementary information that lists and categorizes the investments held by LAMP at the end of the year. The Schedule of Investments can be found on Schedule 1 of this report.

BASIC FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of an entity's financial position. In the case of LAMP, assets exceeded liabilities by \$864,156,406 at the close of the most recent year, December 31, 2004. By far the largest portion of LAMP's net assets (98.5%) reflects its investments at fair market value. The following is a comparison of LAMP's net assets to the prior year.

LAMP's Net Assets

	For the Year Ended December 31,	
	2004	2003
Cash	\$13,157,041	\$20,236
Investments at Fair Market Value	851,014,919	1,043,524,491
Accrued Interest Receivable	350,284	1,912,561
Federal Income Tax Receivable		44,793
Furniture, Fixtures, and Office Equipment	35,828	48,579
Total Assets	<u>864,558,072</u>	<u>1,045,550,660</u>
Accounts Payable and Accrued Expenses	375,686	272,348
Compensated Absences Payable	25,980	20,912
Total Liabilities	<u>401,666</u>	<u>293,260</u>
Net Assets	<u>\$864,156,406</u>	<u>\$1,045,257,400</u>

- Total assets decreased by \$180,992,588.
- Most of the decrease in net assets is attributable to a decrease in investments of \$192,509,572.
- Investments decreased primarily because participants' withdrawals exceeded participants' deposits to LAMP Pool.

Changes in Net Assets. Investment activities and participants' transactions decreased LAMP's net assets by \$181,100,994 for the year ended December 31, 2004. Key elements of the changes for the years ended December 31, 2004, and 2003, are as follows:

LAMP's Changes in Net Assets

	For the Year Ended December 31,	
	2004	2003
From Investment Activities:		
Interest Income	\$7,539,835	\$8,845,016
Investment Income (Amortization/Accretion of Income, Fair Value Increase and Gain or Loss on Sales)	6,573,789	5,389,697
Less Administrative Expenses	<u>(1,850,387)</u>	<u>(1,933,926)</u>
Increase in Net Assets from Investment Activities	<u>12,263,237</u>	<u>12,300,787</u>
From Participants' Transactions:		
Deposits	1,409,976,222	1,353,078,650
Withdrawals	<u>(1,603,340,453)</u>	<u>(1,361,058,973)</u>
Decrease in Net Assets from Participants' Transactions	<u>(193,364,231)</u>	<u>(7,980,323)</u>
Total Increase (Decrease) in Net Assets	(181,100,994)	4,320,469
Net Assets, Beginning of Year	<u>1,045,257,400</u>	<u>1,040,936,936</u>
Net Assets, End of Year	<u><u>\$864,156,406</u></u>	<u><u>\$1,045,257,400</u></u>

- Interest income and investment income declined because of the decrease in investments.
- The majority of the decrease in net assets of \$181,100,994 is due to participants' net withdrawals of \$193,364,231, which was offset by an increase of \$12,263,237 in net assets from investment activities.

ENTITY FINANCIAL STATEMENTS

LAMP does not use fund accounting. However, separate accounting records are maintained for each of the entities, LAMP Pool and LAMP, Inc. To gain a further understanding of the activities of each entity, the following analyses are presented.

By far the largest portion of LAMP Pool's assets (98.5%) reflects its investments at fair market value. The largest portion of LAMP, Inc.'s assets after the elimination of \$126,095 fees receivable from the LAMP Pool is its furniture and office equipment. The following is an analysis of the net assets at December 31, 2004, attributable to LAMP Pool and to LAMP, Inc.:

LAMP's Net Assets (by Entity)

	<u>LAMP</u>	<u>LAMP Pool</u>	<u>LAMP, Inc.</u>
Cash	\$13,157,041	\$13,154,339	\$2,702
Investments at Fair Market Value	851,014,919	851,014,919	
Accrued Interest Receivable	350,284	350,284	
Furniture, Fixtures, and Office Equipment	35,828		35,828
Fees Receivable from LAMP Pool	<u>126,095</u>		<u>126,095</u>
Total Assets	<u>864,684,167</u>	<u>864,519,542</u>	<u>164,625</u>
Accounts Payable and Accrued Expenses	375,686		375,686
Compensated Absences Payable	25,980		25,980
Fees Payable to LAMP, Inc.	<u>126,095</u>	<u>126,095</u>	
Total Liabilities	<u>527,761</u>	<u>126,095</u>	<u>401,666</u>
Net Assets	<u><u>\$864,156,406</u></u>	<u><u>\$864,393,447</u></u>	<u><u>(\$237,041)</u></u>

- In preparing the combined statement of net assets, monthly fees of \$126,095 payable to LAMP Pool to LAMP, Inc. were eliminated.
- **Changes in Net Assets.** Investment activities and participants' transactions decreased LAMP's net assets by \$181,100,994. Key elements of the changes are as follows:

LAMP's Changes in Net Assets (by Entity)

	<u>LAMP</u>	<u>LAMP Pool</u>	<u>LAMP, Inc.</u>
From Investment Activities:			
Interest Income	\$7,539,835	\$7,539,026	\$809
Amortization/Accretion of Income	6,487,546	6,487,546	
Net Decrease in the Fair Value of Investments	(6,804)	(6,804)	
Gain on Sales of Investments	93,047	93,047	
Administrative Income (Expense)		(1,002,478)	1,002,478
Less Administrative Expenses	<u>(1,850,387)</u>	<u>(667,099)</u>	<u>(1,183,288)</u>
Increase (Decrease) in Net Assets from Investment Activities	<u>12,263,237</u>	<u>12,443,238</u>	<u>(180,001)</u>
From Participants' Transactions:			
Deposits	1,409,976,222	1,409,976,222	
Withdrawals	<u>(1,603,340,453)</u>	<u>(1,603,340,453)</u>	
Decrease in Net Assets from Participants' Transactions	<u>(193,364,231)</u>	<u>(193,364,231)</u>	<u>NONE</u>
Total Decrease in Net Assets	<u>(181,100,994)</u>	<u>(180,920,993)</u>	<u>(180,001)</u>
Net Assets, Beginning of Year	<u>1,045,257,400</u>	<u>1,045,314,441</u>	<u>(57,041)</u>
Net Assets, End of Year	<u><u>\$864,156,406</u></u>	<u><u>\$864,393,448</u></u>	<u><u>(\$237,042)</u></u>

MANAGEMENT'S DISCUSSION AND ANALYSIS

- In preparing the statement of changes in net assets for LAMP, administrative fees of \$1,002,478 paid by LAMP Pool to LAMP, Inc., were eliminated.
- Investment advisors' fees of \$613,915 and custodial fees of \$53,152 are included in administrative expenses paid.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of LAMP's finances for all those with an interest in LAMP's finances. For questions concerning any of the information provided in this report or requests for additional financial information, please access the LAMP Web site, www.lamppool.com, or call the LAMP office at (504) 525-LAMP(5267) or toll free at (800) 249-LAMP(5267) and ask for Krissy Orgeron.

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**LOUISIANA ASSET MANAGEMENT POOL
STATE OF LOUISIANA
FIDUCIARY FUND - INVESTMENT TRUST FUND**

Statement of Net Assets, December 31, 2004

ASSETS

Cash (note 2)	\$13,157,041
Investments (note 3)	851,014,919
Interest receivable	350,284
Furniture, fixtures, and office equipment, net (note 1-E)	<u>35,828</u>

TOTAL ASSETS 864,558,072

LIABILITIES

Accounts payable and accruals	375,686
Compensated absences payable (note 5)	<u>25,980</u>

TOTAL LIABILITIES 401,666

Net assets held in trust for pool participants 864,156,406

TOTAL NET ASSETS \$864,156,406

The accompanying notes are an integral part of this statement.

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**LOUISIANA ASSET MANAGEMENT POOL
STATE OF LOUISIANA
FIDUCIARY FUND - INVESTMENT TRUST FUND****Statement of Changes in Net Assets
For the Year Ended December 31, 2004****FROM INVESTMENT ACTIVITIES**

Interest income	\$7,539,835
Less administrative expenses	(1,850,387)
Net decrease in fair value of investments	(6,804)
Amortization/accretion of income	6,487,546
Gain on sale of investments	93,047
Increase in net assets from investment activities	<u>12,263,237</u>

FROM PARTICIPANTS' TRANSACTIONS

Subscriptions	1,409,976,222
Redemptions	<u>(1,603,340,453)</u>
Decrease in net assets from participants' transactions	<u>(193,364,231)</u>

Total decrease in net assets (181,100,994)

NET ASSETS, BEGINNING OF YEAR 1,045,257,400

NET ASSETS, END OF YEAR \$864,156,406

The accompanying notes are an integral part of this statement.

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INTRODUCTION

The Louisiana Asset Management Pool (LAMP) is an investment pool established as a cooperative endeavor to enable public entities of the State of Louisiana to aggregate funds for investment. The cooperative endeavor was formed, in part, in reliance upon Opinion No. 92-192 (March 31, 1992) issued by the Louisiana Attorney General's Office, which noted that public entities may pool funds for investment purposes. The investment pool is intended to improve administrative efficiency and increase investment yield of participating public entities. Public entities, as defined by Article XIX of LAMP's Articles of Incorporation, include the instrumentalities and political subdivisions of the State of Louisiana; parishes, municipalities, or other subdivisions of government; any entity created by, subject to the administration of, or otherwise governed by any university, hospital, or retirement system; and any other entity which may be designated as a public entity by the president of LAMP. Section XIX of LAMP's Articles of Incorporation specifically exclude the State of Louisiana and its departments from participation in the investment pool. As of December 31, 2004, there were 513 voluntary participants in the pool.

LAMP is administered by Louisiana Asset Management Pool, Incorporated, (the "corporation"), a nonprofit corporation formed under the provisions of Louisiana Revised Statute (R.S.) 12:22, pursuant to Section 115 of the Internal Revenue Code of 1986, as amended. The corporation was formed to manage and administer or provide for the orderly management and administration of LAMP.

Article VIII of LAMP's Articles of Incorporation provides that the Treasurer of the State of Louisiana is the sole Administrative Member of the corporation. The Board of Directors of LAMP, Inc., consists of 9-14 pool participants plus the administrative member, who is President of the Corporation. Board members are elected annually by participants, except the President, who is a standing member of the board. There are currently 14 members of the board of directors. Board members can serve for a maximum of three one-year terms, and all board members serve without compensation. LAMP, Inc., has four employees and is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

The corporation entered into a contract with a custodial bank (Bank One) for a period of three years commencing as of September 3, 2002, with options to extend for two additional one-year terms.

The corporation entered into separate contracts with investment advisors American Beacon Advisors (formerly AMR Investment Services, Inc.), and Reich & Tang Asset Management L.L.C. commencing April 4, 2001, for a period of three years with options to renew the contracts for two additional 12-month periods. Effective December 31, 2004, the contract with Reich & Tang Asset Management L.L.C. was terminated, with all assets transferred on January 3, 2005.

The corporation entered into separate contracts with investment advisors Hancock Bank, Hibernia National Bank, and Whitney National Bank commencing October 1, 2003, for a period of three years with options to renew the contracts for two additional 12-month periods. Effective December 31, 2004, the contract with Whitney National Bank was terminated, with all assets transferred on January 3, 2005.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and reporting principles. In order to present fairly the net assets and change in net assets for LAMP, the assets and operations of the investment pool and LAMP, Inc., have been combined. All inter entity accounts, balances, and transactions have been eliminated.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

B. REPORTING ENTITY

Using the criteria in GASB Codification Section 2100, the Division of Administration, Office of Statewide Reporting and Accounting Policy, has defined the governmental reporting entity to be the State of Louisiana. The Office of Statewide Reporting and Accounting Policy considers LAMP to be a component unit (investment trust fund) of the State of Louisiana because the state has financial accountability in that the state treasurer, as the administrative member, is a standing member of the board of directors, acts as the chief executive officer of the corporation, supervises and controls the affairs of the corporation, and has the power and authority reasonably necessary to direct the operations and activities of the corporation. The state treasurer serves as president of the corporation and appoints the secretary-treasurer. The accompanying financial statements present information only as to the balances of LAMP, a component unit of the State of Louisiana. Annually, the State of Louisiana issues basic financial statements, which include the activity contained in the accompanying financial statements. The state's basic financial statements are audited by the Louisiana Legislative Auditor.

C. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The financial statements of LAMP are prepared using the economic resources measurement focus and the accrual basis of accounting. Accordingly, revenue is recognized when earned and expenses are recognized when incurred.

D. CASH AND INVESTMENTS

Cash represents amounts on deposit with the custodian, fiscal agent banks, and/or the investment advisors. Under state law, LAMP may deposit funds with a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. LAMP's permissible investments are set forth in R.S. 33:2955 and are further limited in accordance with investment guidelines promulgated by the board of directors. LAMP's Statement of Investment Guidelines authorizes investments in various investment products, including United States Treasury bills or notes, Federal Home Loan Bank notes, Federal National Mortgage Association notes, Federal Farm Credit Bank notes, Student Loan Marketing Association notes, and other investments as approved by the board of directors.

LAMP's investment guidelines permit investment of LAMP funds in government-only money market funds. Investments in money market funds are limited to no more than 25% of the total assets of LAMP, and no more than 10% may be invested in any single money market fund at any time. Furthermore, the guidelines only allow the purchase of government-only money market funds rated AAAM by Standard and Poor's. Thus, the investment restrictions of the money markets LAMP will be permitted to invest in under this amendment match the investment restrictions of LAMP.

R.S. 33:2955 permits investment in A-1 rated commercial paper for political subdivisions of Louisiana. Accordingly, LAMP's investment guidelines permit the investment of LAMP funds in commercial paper of domestic United States Corporations rated A-1 or A-1+ by Standard & Poor's. Investments in commercial paper are limited to no more than 30% of the total assets of LAMP. No more than 3% of assets may be in any one issuer, and no more than 25% of assets may be in any one industry, except banking. In addition, the guidelines require that when an A-1 or A-1+ investment is placed on a watch list with negative implications by a rating agency, the advisor is required to sell the investment as soon as practical, but no later than 30 days.

To provide for the required liquidity for withdrawals from LAMP, all investments shall have, at the time of purchase, a maximum remaining maturity of 397 days and the dollar weighted average maturity of LAMP shall not generally exceed 90 days. LAMP voluntarily complies with Standard & Poor's requirement for AAAM rated funds to restrict the average weighted maturity of investments to 60 days or less in order to maintain its AAAM rating for the LAMP Pool.

LAMP's investments are stated at fair value based on quoted market values. The fair value of investments is determined on a weekly basis to monitor any variances between amortized cost and fair value.

LAMP has not obtained any legally binding guarantees during the period to support the value of the shares, since all investments are short-term, highly liquid securities.

E. FIXED ASSETS

Furniture, fixtures, office equipment, and computer equipment of the corporation are included on the balance sheet at historical cost. Depreciation of all fixed assets is charged as an administrative expense. Accumulated depreciation is reported on the balance sheet. Depreciation for financial reporting purposes is computed by the straight-line method over the estimated useful lives of 5 to 7 years for the assets. A summary of changes in furniture, fixtures, office equipment, and computer equipment follows:

	Balance December 31, 2003	Additions	Balance December 31, 2004
Furniture and fixtures	\$46,369		\$46,369
Office equipment	27,403		27,403
Computer equipment	48,416	\$481	48,897
Total	122,188	481	122,669
Less - accumulated depreciation	(73,609)	(13,232)	(86,841)
Net furniture and fixtures and office equipment	<u>\$48,579</u>	<u>(\$12,751)</u>	<u>\$35,828</u>

2. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions consist of demand deposits and funds received from participants for investment in a zero balance bank account. LAMP may also invest in time certificates of deposit in state banks organized under the laws of Louisiana and national banks having their principal offices in the State of Louisiana.

As reflected on the statement of net assets, LAMP has deposits in bank accounts totaling \$13,157,041 at December 31, 2004. 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.

The deposits (book balances) at December 31, 2004, consist of the following:

	Cash Demand Deposits	Cash Custodial Deposits	Total
Deposits per Statement of Net Assets	<u>\$2,702</u>	<u>\$13,154,339</u>	<u>\$13,157,041</u>

NOTES TO THE FINANCIAL STATEMENTS

The following is a breakdown by banking institution, program or type, and amount of the collected bank balances shown previously:

<u>Bank Institution</u>	<u>Program or Type</u>	<u>Amount</u>
Bank One	Operating Account	\$53,162
Bank One	Custodial Account	438
Bank One	Zero Balance Account	<u>13,153,901</u>
Total		<u><u>\$13,207,501</u></u>

The interest rate on the zero balance account is 2.38% at December 31, 2004. There are no cash equivalents at December 31, 2004.

Custodial credit risk is the risk that in the event of a bank failure LAMP's deposits may not be recovered. Under state law, LAMP's deposits must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The fair 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 securities are held in LAMP's name by the pledging bank or by a holding or custodial bank that is mutually acceptable to both parties.

3. INVESTMENTS

Investments of \$851,014,919, as presented on Statement A, are reported at fair value. The investments are comprised of several different types of investment securities. The following tables itemize the investments, the range of maturity dates and yields of each category of investment, the fair value of investments, the face amount of the investments, the carrying value at amortized cost at December 31, 2004, and the change in investments during the year.

<u>Investment Securities</u>	<u>Maturity Dates</u>	<u>Yield to Maturity</u>	<u>Face Amount at December 31, 2004</u>	<u>Carrying Value at (Amortized Cost) December 31, 2004</u>	<u>Fair Value at December 31, 2004</u>
Federal Farm Credit Bank Notes	2/4/2005	1.96%	\$820,000	\$818,483	\$818,401
Federal Home Loan Bank Notes	1/5/05-8/15/05	1.25 - 2.35%	54,730,000	54,715,297	54,702,984
Federal Home Loan Mortgage Corporation Notes	1/4/05-10/7/05	1.20 - 2.54%	112,393,000	112,205,031	112,214,924
Federal National Mortgage Association Notes	1/3/05 - 5/23/05	1.26 - 2.52%	63,013,000	62,901,572	62,901,639
Commercial Paper	1/3/05 - 5/27/05	1.81 - 2.52%	206,953,000	206,627,245	206,622,876
Repurchase Agreements	1/3/05	2.14 - 2.29%	<u>413,754,095</u>	<u>413,754,095</u>	<u>413,754,095</u>
Total			<u><u>\$851,663,095</u></u>	<u><u>\$851,021,723</u></u>	<u><u>\$851,014,919</u></u>

LOUISIANA ASSET MANAGEMENT POOL

	Change in Investments	
	Amortized Cost	Fair Value
Balance, December 31, 2003	<u>\$1,043,410,276</u>	<u>\$1,043,524,491</u>
Add:		
Investment purchases	93,785,882,084	93,785,882,084
Amortization/accretion of income	6,487,546	6,487,546
Gain on sales of investments	93,047	93,047
Market value adjustment		(6,804)
Total	<u>93,792,462,677</u>	<u>93,792,455,873</u>
Less - investment maturities	<u>(93,984,851,230)</u>	<u>(93,984,965,445)</u>
Balance, December 31, 2004	<u>\$851,021,723</u>	<u>\$851,014,919</u>

Unrealized investment losses exceeded unrealized investment gains \$6,804 at year-end. This net unrealized investment loss is reflected in the year-end investments since they are reported at fair market value.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, LAMP will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The investments are registered in the name of LAMP and are held in the custodial bank's trust account at its custodial agent or at the Federal Reserve. During the year ended December 31, 2004, there were no uninsured and unregistered investments held by the counterparty, or by its trust department or agent, which were not in LAMP's name.

Concentration of credit risk is the risk of loss attributed to the magnitude of an entity's investment in a single issuer. LAMP's investment policy limits investments in commercial paper of any one issuer to 3% of total investments which minimizes any concentration of credit risk. There are no investments in any one issuer that exceeded the limitation percentage of total investments at December 31, 2004.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. LAMP's investment policy minimizes credit risk by allowing investments only in federal agencies backed by the U.S. government, government-only money market funds rated AAA by Standard & Poor's, and commercial paper of domestic United States corporations rated A-1 or A-1+ by Standard & Poor's.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. LAMP's investment policy minimizes interest rate risk by limiting the weighted-average maturity of its investments to 60 days or less for all investments.

4. INVESTMENT EARNINGS

Interest income and amortization/accretion of income are recognized when earned using the full accrual method of accounting. Gains or losses on sales of investments are recognized using the specific identification method. The investments in LAMP are stated at fair value based on quoted market rates and any increases or decreases are reported as net increase (decrease) in the fair value of investments. The fair value of investments is determined on a weekly basis to monitor any variances between amortized cost and fair value.

One or more accounts can be established for each public entity investing in LAMP. Interest is calculated on a daily basis and added to principal of each depositing member's account as of the last day of each month. For purposes of determining participants' shares sold and redeemed, investments are valued at amortized cost. For financial statement purposes, investments are reported at fair value.

At the direction of the public entity, funds are transferred from any such account to a designated local depository bank on any business day. Each depositing public entity owns a proportionate, undivided, fractional interest in each asset comprising LAMP.

The objective of LAMP is to provide safety of principal and daily liquidity with a competitive rate of return to members by pooling monies. The following table shows, by quarter, the average daily yield percentage (annualized on a cumulative basis) of LAMP for the year ended December 31, 2004:

<u>Three-Month Period Ended</u>	<u>Annual Interest Rate</u>
March 31, 2004	0.95%
June 30, 2004	0.93%
September 30, 2004	1.27%
December 31, 2004	1.76%

5. COMPENSATED ABSENCES PAYABLE

The corporation has three full-time employees. These employees are provided vacation and sick leave on a cumulative basis. Hours of vacation and sick leave earned are based on the number of years of service. Vacation leave cannot be used until after the first 6 months of employment but may be carried forward into the next year at a rate of 2.5 times the employee's annual accrual or a maximum of 300 hours, whichever is less. A maximum of 300 hours of vacation leave is payable upon termination. Sick leave may be carried forward into the next year with no limitation but is not payable upon termination. Compensatory time earned may be carried forward into the next year but is not payable upon termination. A compensated absence liability of \$25,980 as of December 31, 2004, is included in the financial statements.

6. RETIREMENT PLAN

Effective October 1, 2001, a Simplified Employee Pension Retirement Plan was established whereby the employer contributes an amount equal to 8% of the employees' salaries monthly. The employer contributions for 2004, 2003, and 2002 totaled \$14,420, \$17,193, and \$18,756, respectively.

7. ADMINISTRATIVE CHARGES

Under the agreements with American Beacon Advisors and Reich & Tang Asset Management, L.L.C., which became effective April 5, 2001, and under the agreements with Hancock Bank, Hibernia National Bank, and Whitney National Bank, which became effective October 1, 2003, the corporation pays an annual advisory fee (calculated and remitted monthly) based upon LAMP's average daily net assets as follows:

<u>Asset Value</u>	<u>Basis Point Fee</u>
First \$400 million	6.0
Next \$100 million	5.0
Next \$300 million	3.0
Over \$800 million	2.0

Effective December 31, 2004, the agreements with Reich & Tang Asset Management, L.L.C. and Whitney National Bank were terminated. Reich & Tang Asset Management's investment funds were reallocated to American Beacon Advisors, and Whitney National Bank's investment funds were reallocated in equal portions to Hancock Bank and Hibernia National Bank.

During the year ended December 31, 2004, investment advisor fees of \$613,915 and custodian fees of \$53,152 were incurred.

LAMP, Inc., is paid an administrative fee for the administration of LAMP. The Executive Committee of LAMP, Inc., has oversight authority with respect to the amount of administrative fees deemed necessary to properly administer LAMP. The administrative fee is a monthly fee based on LAMP's average daily net assets, which was computed at the annual rate of 6.75 basis points. LAMP, Inc., may adjust its administrative fee proportionately so that the total of all three fees does not exceed the maximum approved by the board.

In August 2003, the custodial account was rebid. Bank One Trust Company, N.A. was awarded the contract with an annual custodial fee of .5 basis points on the entire average daily net assets value.

During the year ended December 31, 2004, administrative fees of \$1,002,478 were incurred. These inter-entity fees have been eliminated in the accompanying financial statements. Effective February 1, 2004, total basis points charged by LAMP, Inc., for investment advisory, administrative and custodial fees were increased from 13.75 to 15 basis points. Effective

September 1, 2004, the basis points increased from 15 to 18. This increased the administrative fees paid by LAMP Pool to LAMP, Inc. Effective January 1, 2005, the basis points were increased to 19.50.

8. OFFICE LEASE

The corporation has an operating lease for office space. Rental expense for this operating lease during the year ended December 31, 2004, amounted to \$26,237. The future minimum rental payments applicable to this lease total \$19,558 for 2005.

9. LITIGATION

There is no pending litigation against LAMP or LAMP, Inc., at December 31, 2004.

10. FEDERAL INCOME TAX

LAMP, Inc., is a taxable entity for federal income tax purposes. For the year ended December 31, 2003, the corporation had a taxable loss of \$309,712, of which \$163,401 was carried back to prior years' tax returns, which were amended to reflect the deduction of the 2003 taxable loss. This resulted in a federal income tax receivable of \$44,793 at December 31, 2003. For the year ended December 31, 2004, the corporation has a taxable loss of \$64,045 and had carry forward net operating losses totaling \$210,356 available to offset taxable income in future years.

**11. MANAGEMENT'S PLAN TO ADDRESS
LAMP, INC., DEFICIT**

LAMP, Inc., incurred net losses for the years ended December 31, 2004 and 2003 of \$180,001 and \$57,041, respectively, and reported an accumulated deficit totaling \$237,042 at December 31, 2004. These net losses and accumulated deficit are primarily due to LAMP's decisions to lower basis points in prior years, which decreased LAMP, Inc.'s revenues. Management has increased the basis points it charges to LAMP Pool for administrative charges to increase the corporation's revenues to reduce the accumulated deficit. Management has also taken steps to reduce overhead and other operating expenses.

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SCHEDULE OF INVESTMENTS

Schedule 1 presents individual investments held by the pool at December 31, 2004.

**LOUISIANA ASSET MANAGEMENT POOL
STATE OF LOUISIANA**

Schedule of Investments, December 31, 2004

<u>FACE AMOUNT</u>	<u>MATURITY DATE</u>	<u>DESCRIPTION</u>	<u>YIELD</u>	<u>FAIR VALUE</u>	<u>AMORTIZED COST</u>
Federal Farm Credit Bank Notes:					
<u>\$820,000</u>	02/04/05		1.96%	<u>\$818,401</u>	<u>\$818,483</u>
Federal Home Loan Bank Notes:					
\$1,000,000	04/11/05		1.25%	\$1,004,790	\$1,008,327
1,000,000	08/15/05		2.32%	1,003,040	1,005,676
25,000,000	04/25/05		2.35%	25,003,000	24,999,247
2,000,000	04/04/05		1.40%	1,993,860	2,000,000
1,000,000	05/04/05		1.50%	997,140	1,000,000
1,000,000	06/08/05		2.02%	997,710	1,000,000
7,400,000	01/05/05		2.18%	7,399,556	7,398,209
400,000	01/05/05		1.97%	399,976	399,913
200,000	01/05/05		2.19%	199,988	199,951
650,000	01/07/05		2.24%	649,883	649,757
500,000	01/07/05		1.99%	499,910	499,834
500,000	01/14/05		2.16%	499,700	499,616
399,000	01/14/05		2.10%	398,761	398,702
500,000	01/14/05		1.99%	499,700	499,646
2,500,000	01/19/05		2.29%	2,497,750	2,497,179
1,500,000	01/19/05		2.24%	1,498,650	1,498,347
199,000	01/19/05		2.25%	198,821	198,780
500,000	01/19/05		2.01%	499,550	499,506
504,000	01/21/05		1.92%	503,486	503,462
225,000	01/25/05		1.95%	224,717	224,712
2,000,000	01/26/05		2.28%	1,997,360	1,996,888
500,000	01/28/05		2.04%	499,280	499,236
300,000	01/28/05		2.08%	299,568	299,533
1,568,000	02/08/05		2.20%	1,564,534	1,564,365
1,650,000	02/11/05		2.26%	1,646,040	1,645,766
100,000	02/14/05		2.09%	99,742	99,745
635,000	03/23/05		2.05%	631,812	632,085
<u>1,000,000</u>	03/28/05		1.34%	<u>994,660</u>	<u>996,815</u>
<u>\$54,730,000</u>	Total Federal Home Loan Bank Notes			<u>\$54,702,984</u>	<u>\$54,715,297</u>

(Continued)

LOUISIANA ASSET MANAGEMENT POOL
STATE OF LOUISIANA
Schedule of Investments, December 31, 2004

FACE AMOUNT	MATURITY DATE	DESCRIPTION	YIELD	FAIR VALUE	AMORTIZED COST
Federal Home Loan Mortgage Corporation Notes:					
\$25,000,000	10/07/05		1.99%	\$25,008,750	\$25,002,369
5,500,000	02/04/05		2.15%	5,498,570	5,499,836
15,000,000	02/01/05		2.11%	14,996,550	15,000,097
1,000,000	01/04/05		2.25%	999,821	999,812
600,000	01/04/05		2.14%	599,893	599,893
150,000	01/04/05		2.11%	149,973	149,974
500,000	01/04/05		2.04%	499,911	499,915
500,000	01/04/05		2.20%	499,911	499,908
1,000,000	01/04/05		2.06%	999,822	999,829
350,000	01/04/05		2.15%	349,938	349,937
350,000	01/06/05		1.94%	349,958	349,906
3,400,000	01/10/05		2.18%	3,398,776	3,398,152
1,300,000	01/11/05		2.22%	1,299,454	1,299,212
500,000	01/11/05		1.99%	499,790	499,728
1,000,000	01/11/05		1.98%	999,580	999,459
1,000,000	01/13/05		1.75%	999,460	999,416
900,000	01/14/05		1.36%	899,460	899,559
2,000,000	01/18/05		1.78%	1,998,320	1,998,316
1,000,000	01/18/05		1.99%	999,160	999,061
327,000	01/18/05		1.92%	326,725	326,703
200,000	01/18/05		2.01%	199,832	199,810
100,000	01/19/05		2.01%	99,910	99,900
100,000	01/24/05		2.03%	99,880	99,870
500,000	01/26/05		2.16%	499,340	499,251
500,000	01/28/05		2.21%	499,280	499,173
15,000,000	02/01/05		2.30%	14,973,450	14,970,402
501,000	02/01/05		2.22%	500,113	500,044
500,000	02/01/05		2.07%	499,115	499,110
500,000	02/01/05		2.19%	499,115	499,059
100,000	02/01/05		2.25%	99,823	99,807
500,000	02/02/05		2.21%	499,085	499,020
1,000,000	02/03/05		2.23%	998,110	997,959
500,000	02/07/05		2.23%	498,930	498,857
1,000,000	02/08/05		1.33%	997,790	998,601
200,000	02/08/05		2.27%	199,558	199,522
500,000	02/18/05		2.30%	498,580	498,470
2,000,000	02/23/05		1.89%	1,993,700	1,994,458

(Continued)

LOUISIANA ASSET MANAGEMENT POOL
STATE OF LOUISIANA
Schedule of Investments, December 31, 2004

FACE AMOUNT	MATURITY DATE	DESCRIPTION	YIELD	FAIR VALUE	AMORTIZED COST
Federal Home Loan Mortgage Corporation Notes: (Cont.)					
\$1,000,000	03/01/05		2.04%	\$996,390	\$996,672
1,000,000	03/10/05		1.21%	995,820	997,723
1,000,000	03/10/05		1.20%	995,820	997,732
315,000	03/14/05		2.40%	313,601	313,494
20,000,000	03/15/05		2.41%	19,909,800	19,902,753
3,000,000	03/29/05		2.47%	2,983,770	2,982,233
1,000,000	05/24/05		2.54%	990,290	990,029
<u>\$112,393,000</u>	Total Federal Home Loan Mortgage Corporation Notes			<u>\$112,214,924</u>	<u>\$112,205,031</u>

Federal National Mortgage Association Notes:

\$1,000,000	05/23/05		1.75%	\$997,050	\$1,000,000
5,550,000	01/03/05		2.19%	5,549,336	5,549,336
1,150,000	01/04/05		1.98%	1,149,829	1,149,829
3,000,000	01/05/05		2.10%	2,999,820	2,999,294
1,600,000	01/06/05		2.13%	1,599,808	1,599,527
4,835,000	01/07/05		1.75%	4,834,130	4,833,810
1,500,000	01/10/05		2.03%	1,499,460	1,499,254
1,000,000	01/12/05		1.98%	999,520	999,394
500,000	01/12/05		1.97%	499,760	499,698
500,000	01/12/05		2.00%	499,760	499,695
308,000	01/12/05		2.18%	307,852	307,795
440,000	01/13/05		2.17%	439,763	439,682
3,000,000	01/18/05		2.26%	2,997,480	2,996,796
1,000,000	01/18/05		2.25%	999,160	998,937
500,000	01/18/05		2.19%	499,580	499,484
500,000	01/18/05		2.21%	499,580	499,480
500,000	01/19/05		2.00%	499,550	499,502
500,000	01/19/05		2.06%	499,550	499,485
500,000	01/19/05		2.01%	499,550	499,498
600,000	01/20/05		1.99%	599,424	599,370
500,000	01/20/05		2.01%	499,520	499,470
500,000	01/20/05		2.02%	499,520	499,468
1,000,000	01/24/05		2.00%	998,800	998,723

(Continued)

LOUISIANA ASSET MANAGEMENT POOL
STATE OF LOUISIANA
Schedule of Investments, December 31, 2004

FACE AMOUNT	MATURITY DATE	DESCRIPTION	YIELD	FAIR VALUE	AMORTIZED COST
Federal National Mortgage Association Notes: (Cont.)					
\$825,000	01/24/05		2.28%	\$824,010	\$823,802
500,000	01/24/05		1.99%	499,400	499,365
400,000	01/24/05		2.03%	399,520	399,482
50,000	01/24/05		2.06%	49,940	49,934
3,900,000	01/26/05		2.24%	3,894,852	3,894,027
2,000,000	01/26/05		1.82%	1,997,360	1,997,513
1,000,000	01/26/05		2.06%	998,680	998,592
500,000	01/26/05		2.09%	499,340	499,286
53,000	02/01/05		2.22%	52,906	52,899
500,000	02/02/05		2.23%	499,085	499,011
300,000	02/02/05		2.25%	299,451	299,402
2,227,000	02/04/05		1.26%	2,222,657	2,224,364
1,000,000	02/07/05		2.26%	997,860	997,684
500,000	02/07/05		2.25%	498,930	498,847
5,000,000	02/09/05		2.33%	4,988,650	4,987,397
1,000,000	02/09/05		1.84%	997,730	998,014
2,000,000	03/02/05		1.90%	1,992,660	1,993,693
1,000,000	03/04/05		1.35%	996,200	997,686
1,000,000	03/04/05		1.54%	996,200	997,355
3,300,000	03/09/05		2.41%	3,286,404	3,285,258
2,000,000	03/09/05		2.42%	1,991,760	1,991,028
100,000	03/23/05		2.48%	99,498	99,444
875,000	04/06/05		2.13%	869,619	870,104
2,500,000	04/27/05		2.52%	2,481,125	2,479,858
<u>\$63,013,000</u>	Total Federal National Mortgage Association Notes			<u>\$62,901,639</u>	<u>\$62,901,572</u>

Commercial Paper:

\$4,900,000	01/31/05	ABN-Amro NA Finance Inc.	2.35%	\$4,891,621	\$4,890,438
3,000,000	01/31/05	ABN-Amro NA Finance Inc.	2.34%	2,994,870	2,994,169
2,400,000	01/20/05	Abbott Laboratories	2.19%	2,397,576	2,397,235
2,000,000	01/26/05	American Express Credit Corporation	2.26%	1,997,180	1,996,861
1,000,000	03/02/05	CIT Group Inc.	2.39%	996,170	996,033
1,000,000	01/04/05	Chevron Texaco	2.20%	1,000,000	999,816
500,000	01/13/05	Citigroup Global Markets	2.30%	499,715	499,617

(Continued)

LOUISIANA ASSET MANAGEMENT POOL
STATE OF LOUISIANA
Schedule of Investments, December 31, 2004

FACE AMOUNT	MATURITY DATE	DESCRIPTION	YIELD	FAIR VALUE	AMORTIZED COST
Commercial Paper: (Cont.)					
\$2,250,000	02/01/05	Coca-Cola Companies	2.28%	\$2,245,950	\$2,245,597
441,000	01/04/05	Danske Corporation	2.35%	441,000	440,914
2,000,000	02/04/05	Jupiter Securitization Corporation	2.34%	1,995,920	1,995,598
2,000,000	01/14/05	Pepsico, Incorporated	2.24%	1,998,720	1,998,381
2,500,000	01/05/05	Preferred Receivable Funding	2.28%	2,499,825	2,499,367
2,000,000	01/12/05	Preferred Receivable Funding	2.32%	1,998,960	1,998,580
10,000,000	01/20/05	Preferred Receivable Funding	2.32%	9,989,500	9,987,791
6,000,000	01/18/05	Sheffield Receivables	2.33%	5,994,540	5,993,403
2,000,000	01/18/05	Three Rivers Funding	2.33%	1,998,180	1,997,797
1,100,000	03/29/05	Toyota Motor Credit Corporation	2.44%	1,093,796	1,093,539
1,000,000	01/19/05	Triple A One Funding Corporation	2.35%	999,020	998,829
1,214,000	01/27/05	Triple A One Funding Corporation	2.33%	1,212,167	1,211,963
2,400,000	01/13/05	Jupiter Securitization Corporation	2.34%	2,397,840	2,398,126
741,000	01/18/05	Tulip Funding	2.36%	740,333	740,177
1,650,000	01/28/05	Tulip Funding	2.39%	1,647,443	1,647,053
1,000,000	01/05/05	USAA Capital Corporation	2.27%	999,930	999,748
800,000	01/07/05	USAA Capital Corporation	2.27%	799,848	799,697
2,200,000	01/14/05	Variable Funding Capital	2.29%	2,198,570	2,198,186
12,000,000	02/02/05	Variable Funding Capital	2.33%	11,977,080	11,975,218
1,500,000	01/03/05	American General Finance Corporation	2.20%	1,499,825	1,499,816
750,000	01/03/05	American General Finance Corporation	1.91%	749,912	749,920
2,000,000	01/18/05	Atlantis One Funding	1.97%	1,998,200	1,998,139
10,000,000	02/01/05	Atlantis One Funding	2.14%	9,981,800	9,981,593
1,000,000	02/07/05	Atlantis One Funding	1.87%	997,790	998,085
3,000,000	02/11/05	Barton Capital Corporation	1.98%	2,992,560	2,993,266
500,000	01/10/05	Beta Finance	2.26%	499,805	499,718
635,000	02/03/05	Beta Finance	2.24%	633,762	633,698
1,400,000	01/31/05	CIT Group Inc.	1.89%	1,397,564	998,430
1,000,000	01/31/05	CIT Group Inc.	2.34%	998,260	1,397,280
250,000	01/05/05	Chevron Texaco	1.93%	249,983	249,946
1,000,000	01/24/05	Citigroup Global Markets	2.25%	998,730	998,566
2,000,000	02/01/05	Citigroup Global Markets	2.24%	1,996,440	1,996,150
2,000,000	01/03/05	Danske Corporation	2.25%	1,999,750	1,999,750
5,000,000	02/01/05	Danske Corporation	2.29%	4,991,100	4,990,165
1,000,000	04/26/05	Danske Corporation	2.17%	992,160	993,104
4,833,000	01/31/05	Fountain Square Commerical Funding	2.14%	4,824,542	4,824,391
7,000,000	02/01/05	Fountain Square Commerical Funding	2.14%	6,987,260	6,987,115
1,154,000	02/15/05	Fountain Square Commerical Funding	2.31%	1,150,827	1,150,675
1,000,000	02/15/05	Fountain Square Commerical Funding	2.26%	997,250	997,179

(Continued)

LOUISIANA ASSET MANAGEMENT POOL
STATE OF LOUISIANA
Schedule of Investments, December 31, 2004

FACE AMOUNT	MATURITY DATE	DESCRIPTION	YIELD	FAIR VALUE	AMORTIZED COST
Commercial Paper: (Cont.)					
\$1,000,000	02/15/05	Fountain Square Commerical Funding	2.26%	\$997,250	\$997,179
2,000,000	01/19/05	Galaxy Funding Inc.	2.11%	1,998,060	1,997,892
1,500,000	02/22/05	Galaxy Funding Inc.	2.28%	1,495,140	1,495,068
1,000,000	01/11/05	General Electric Capital Corporation	1.82%	999,560	999,496
1,000,000	01/18/05	General Electric Capital Corporation	1.81%	999,120	999,148
2,000,000	02/01/05	General Electric Capital Corporation	2.21%	1,996,440	1,996,201
19,000,000	01/18/05	Goldman Sachs	2.05%	19,000,059	19,000,059
6,850,000	01/10/05	GOVCO	2.01%	6,847,328	6,846,560
1,000,000	01/10/05	GOVCO	1.99%	999,610	999,503
1,050,000	01/16/05	GOVCO	2.28%	1,049,055	1,049,002
500,000	01/18/05	GOVCO	2.33%	499,550	499,450
1,000,000	01/25/05	GOVCO	2.07%	998,640	998,621
3,000,000	01/28/05	GOVCO	2.11%	2,995,350	2,995,258
500,000	01/03/05	Household Finance Corporation	1.96%	499,945	499,945
2,000,000	01/05/05	Household Finance Corporation	2.26%	1,999,860	1,999,497
2,000,000	01/18/05	Jupiter Securitization Corporation	2.23%	1,998,180	1,997,898
500,000	01/18/05	Jupiter Securitization Corporation	1.98%	499,545	499,533
800,000	02/07/05	Pfizer, Inc.	2.25%	798,264	798,154
1,635,000	01/06/05	PREFCO	2.26%	1,634,787	1,634,486
10,000,000	02/02/05	Private Export Funding	2.13%	9,962,900	9,981,090
1,000,000	03/09/05	Private Export Funding	2.10%	995,720	996,114
1,000,000	03/09/05	Private Export Funding	2.27%	995,720	995,798
2,000,000	05/12/05	Rabobank USA Finance Corporation	2.52%	1,981,780	1,981,828
5,000,000	01/11/05	Sheffield Receivables	2.22%	4,997,750	4,996,922
2,500,000	01/12/05	Sheffield Receivables	2.21%	2,498,700	2,498,315
1,000,000	01/07/05	Sigma Finance Inc.	2.00%	999,800	999,667
5,000,000	02/03/05	Sigma Finance Inc.	2.24%	4,990,250	4,989,746
3,000,000	02/04/05	Sigma Finance Inc.	2.16%	2,993,970	2,993,886
2,500,000	02/18/05	Sigma Finance Inc.	2.32%	2,492,600	2,492,284
1,000,000	02/18/05	Sigma Finance Inc.	2.27%	997,040	996,978
2,500,000	05/27/05	Societe Generale North America	2.19%	2,474,350	2,478,012
1,000,000	01/03/05	Three Rivers Funding	2.25%	999,874	999,875
1,000,000	01/11/05	Triple A One Funding Corporation	2.26%	999,540	999,374
500,000	02/02/05	Triple A One Funding Corporation	2.22%	499,045	499,015
2,000,000	01/10/05	Windmill Funding	2.27%	1,999,220	1,998,868
2,500,000	01/31/05	Windmill Funding	2.21%	2,495,600	2,495,404
<u>\$206,953,000</u>				<u>\$206,622,876</u>	<u>\$206,627,245</u>

(Continued)

LOUISIANA ASSET MANAGEMENT POOL
STATE OF LOUISIANA
Schedule of Investments, December 31, 2004

<u>FACE AMOUNT</u>	<u>MATURITY DATE</u>	<u>DESCRIPTION</u>	<u>YIELD</u>	<u>FAIR VALUE</u>	<u>AMORTIZED COST</u>
Repurchase Agreements:					
\$92,753,736	01/03/05		2.27%	\$92,753,736	\$92,753,736
100,000,000	01/03/05		2.29%	100,000,000	100,000,000
19,361,037	01/03/05		2.14%	19,361,037	19,361,037
21,000,000	01/03/05		2.23%	21,000,000	21,000,000
17,875,747	01/03/05		2.15%	17,875,747	17,875,747
72,000,000	01/03/05		2.15%	72,000,000	72,000,000
37,708,000	01/03/05		2.17%	37,708,000	37,708,000
20,155,575	01/03/05		2.15%	20,155,575	20,155,575
12,000,000	01/03/05		2.20%	12,000,000	12,000,000
20,900,000	01/03/05		2.28%	20,900,000	20,900,000
<u>\$413,754,095</u>	Total Repurchase Agreements			<u>\$413,754,095</u>	<u>\$413,754,095</u>
<u>\$851,663,095</u>		TOTALS		<u>\$851,014,919</u>	<u>\$851,021,723</u>

(Concluded)

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OTHER REPORT REQUIRED BY
GOVERNMENT AUDITING STANDARDS

The following pages contain our report on internal control over financial reporting and on compliance with laws and other matters as required by *Government Auditing Standards*, issued by the Comptroller General of the United States. This report is based on the audit of the financial statements and includes, where appropriate, any reportable conditions and/or material weaknesses in internal control or compliance matters that would be material to the presented financial statements.



STEVE J. THERIOT, CPA
LEGISLATIVE AUDITOR

OFFICE OF
LEGISLATIVE AUDITOR
STATE OF LOUISIANA
BATON ROUGE, LOUISIANA 70804-9397

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TELEPHONE: (225) 339-3800
FACSIMILE: (225) 339-3870

June 28, 2005

Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of the
Basic Financial Statements Performed in Accordance
With *Government Auditing Standards*

**BOARD OF DIRECTORS OF THE LOUISIANA
ASSET MANAGEMENT POOL, INCORPORATED
STATE OF LOUISIANA**

New Orleans, Louisiana

We have audited the basic financial statements of the Louisiana Asset Management Pool (LAMP), a component unit of the State of Louisiana, as of and for the year ended December 31, 2004, and have issued our report thereon dated June 28, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered LAMP's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

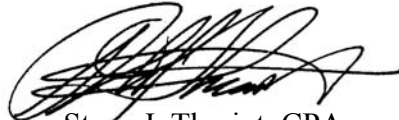
As part of obtaining reasonable assurance about whether LAMP's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance

LOUISIANA ASSET MANAGEMENT POOL

with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of LAMP and its management and is not intended to be, and should not be, used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Respectfully submitted,



Steve J. Theriot, CPA
Legislative Auditor

CGEW:ES:PEP:dl

LAMP04