

**NEW IBERIA MUSEUM FOUNDATION
d/b/a BAYOU TECHE MUSEUM**

FINANCIAL REPORT

DECEMBER 31, 2017

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors
New Iberia Museum Foundation
d/b/a Bayou Teche Museum
New Iberia, Louisiana

We have reviewed the accompanying financial statements of New Iberia Museum Foundation d/b/a Bayou Teche Museum (a nonprofit organization), which comprise the statement of financial position as of December 31, 2017, and the related statement of activities and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

The schedule of compensation, benefits and other payments to agency head and the schedule of functional expenses included on pages 14 and 15 are presented for purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and related directly to, the underlying accounting and other records used to prepare the financial statements. The schedules have been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the schedules. We have not audited the schedules and do not express an opinion on such information.

A handwritten signature in cursive script, appearing to read "Bronson P. C. C.", written in black ink.

Lafayette, Louisiana

June 25, 2018

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FINANCIAL STATEMENTS

NEW IBERIA MUSEUM FOUNDATION
STATEMENT OF FINANCIAL POSITION
December 31, 2017

ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	\$ 308,657
Investments	<u>24,124</u>
Total current assets	<u>332,781</u>
Equipment, net of accumulated depreciation of \$10,937	<u>667</u>
OTHER ASSETS	
Utility deposit	<u>1,248</u>
Total assets	<u>\$ 334,696</u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Due to George Rodrigue Park	\$ 62,150
Payroll taxes	<u>2,000</u>
Total current liabilities	<u>64,150</u>
NET ASSETS	
Net assets - designated – board of directors	106,969
Net assets - unrestricted	<u>163,577</u>
Total net assets	<u>270,546</u>
Total liabilities and net assets	<u>\$ 334,696</u>

See Accompanying Notes and Independent Accountants' Review Report.

NEW IBERIA MUSEUM FOUNDATION

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2017

Revenues		
Grants		\$ 10,000
Contributions and memberships		103,250
Fundraisers		119,536
Gain on investments		1,687
Dividend income		992
Miscellaneous		<u>436</u>
Total revenues		<u>235,901</u>
Expenses		
Program services:		
Museum		<u>89,894</u>
Supporting services:		
Fundraising		30,281
Management and general		<u>27,200</u>
Total supporting services		<u>57,481</u>
Total expenses		<u>147,375</u>
Change in net assets, unrestricted		88,526
Net assets, beginning as restated		<u>182,020</u>
Net assets, ending		<u>\$ 270,546</u>

See Accompanying Notes and Independent Accountants' Review Report.

NEW IBERIA MUSEUM FOUNDATION

STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2017

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 88,526
Adjustments to reconcile change in net assets to net cash used in operating activities	
Depreciation	2,116
Changes in assets and liabilities:	
(Increase) decrease in payroll taxes	1,564
(Increase) decrease in due to George Rodrigue park	<u>62,150</u>
Net cash provided by operating activities	<u>154,356</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Change in value of investments	<u>(2,678)</u>
Net increase in cash and cash equivalents	151,678
Cash and cash equivalents at beginning of year	<u>156,979</u>
Cash and cash equivalents at end of year	<u>\$ 308,657</u>

See Accompanying Notes and Independent Accountants' Review Report.

NEW IBERIA MUSEUM FOUNDATION

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

Nature of Operations

The New Iberia Museum Foundation d/b/a Bayou Teche Museum (the "Foundation") is a non-profit corporation organized under the laws of the State of Louisiana. The mission of the Museum is to educate the public about the Bayou Teche and its environs, to preserve the history and culture of New Iberia, and to emphasize the industries that have shaped the region.

Basis of Accounting:

The financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Accounting Standards Codification No. 958-205-20, *Not-for-profit Entities – Presentation of Financial Statements- Glossary*. Under FASB ASC 958-205-20, the Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Use of Estimates:

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

Cash and Cash Equivalents:

For the purpose of the statement of cash flows, the Foundation considers all highly liquid investments with an initial maturity of three months or less at the date of acquisition to be cash equivalents.

Concentrations:

The Foundation operates its activities exclusively in New Iberia, Louisiana. It is dependent on the economic condition of the New Iberia area to support its activities.

Investments:

In accordance with generally accepted accounting principles, all investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. All investment income, including, changes in the fair value of investments, is recognized in the Statement of Activities.

NOTES TO FINANCIAL STATEMENTS

Capital assets:

Furniture and equipment are valued at cost, or fair market value in the case of donated property. The Foundation maintains a threshold level of \$500 or more for capitalizing assets. Depreciable assets are depreciated using the straight-line method over the estimated useful lives of five to seven years.

Collection Items

The Foundation collects, preserves, and exhibits natural and popular materials with which it interprets the social, cultural, and environmental development of Louisiana, and particularly the Southwest region surrounding the Bayou Teche. The collections are used to advance understanding of the customs, traditions, attitudes, life-styles and creative processes of the peoples of Louisiana. Objects for the collections are received mainly through donations of the objects and through private donations for the purchase of the objects. Due to the nature of record-keeping and cataloging of the collection, and the intangible value of the objects, it is not feasible to place a dollar value on the collection. Consequently, the Foundation does not capitalize donated objects or recognize them as revenues or gains unless the object is to be sold rather than added to the Foundation's collection.

Contributed Support:

Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence or nature of any donor restrictions.

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The Foundation reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated asset, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished; temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activity as net assets released from temporary restrictions. Donor-restricted contributions whose restrictions are met in the same period are reported as unrestricted support.

Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Contributed Facilities, Materials, and Services:

The Foundation occupies, without charge, certain premises located in government provided buildings. The value of this contribution is not reflected in these statements since there is no measurable basis of the rental value of the historical building.

A substantial number of volunteers have donated time to the Foundation's program and supporting services. No amounts have been included in the financial statements for the donated services of volunteers because the criteria for recognition of such volunteer efforts under generally accepted accounting principles has not been satisfied.

NOTES TO FINANCIAL STATEMENTS

Advertising

The Foundation uses advertising to promote its programs among the audiences it serves. The costs of advertising are expensed as incurred. During 2017, advertising costs totaled \$3,752.

Functional Allocation of Expenses:

The cost of providing the various programs, fund-raising and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and fund-raising activities benefited.

Fair Value Measurements:

Generally accepted accounting principles establish a framework for measuring fair value of financial assets and liabilities that are recognized at fair value in the financial statements on a recurring basis. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Level 1 inputs are based on unadjusted quoted market prices within active markets. Level 2 inputs are based primarily on quoted prices for similar assets or liabilities in active or inactive markets. Level 3 inputs are primarily valued using management's assumptions about the assumptions market participants would utilize in pricing the asset or liability. The Foundation's investments are valued utilizing Level 1 inputs. The Foundation has no assets valued using Level 2 or Level 3 inputs.

Income Taxes:

The Foundation qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service (IRS) as other than a private foundation. The Foundation's tax-exempt status has no effect on its liability for any federal excise taxes. Accounting principles generally accepted in the United States of America require the Foundation's management to evaluate tax positions taken and recognize a tax liability (or asset) if the Foundation has undertaken an uncertain position that more likely than not would not be sustained upon examination by the IRS. Management has analyzed the tax position taken by the Foundation, and has concluded that there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Foundation is subject to routine audit by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Organization's Form 990, *Return of Organization Exempt from Income Tax*, for the years ending 2015, 2016, and 2017 are subject to examination by the IRS, generally three years after they are filed.

Recent Accounting Pronouncements

In August 2016, the Financial Accounting Standards Board (the "FASB") issued Accounting Standards Update 2016-14 "Presentation of Financial Statements of Not-for Profit Entities". This update makes improvements to current reporting requirements by addressing the following: (1) the use of the currently required three classes of net assets that focus on the absence or presence of donor-imposed restrictions and whether those restrictions are temporary or permanent, (2) deficiencies in assessing the entity's liquidity caused by misunderstandings and confusion about the term unrestricted net assets, and how restrictions imposed by donors, grantors, board and others affect the entity's liquidity, (3) inconsistencies in the type of information provided about expenses of the period, and (4) impediment of preparing the indirect method reconciliation if an entity chooses to use the direct method of presenting operating cash flows. The update is effective for years beginning after December 15, 2017. The amendments in this update are expected to require certain changes in the way the financial statements are presented along with the related disclosures.

NOTES TO FINANCIAL STATEMENTS

Note 2. Capital Assets

Capital asset activity for the year ended December 31, 2017 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets being depreciated -				
Equipment	\$ 11,604	\$ -	\$ -	\$ 11,604
Less accumulated depreciation for -				
Equipment	<u>(8,821)</u>	<u>(2,116)</u>	<u>-</u>	<u>(10,937)</u>
Total capital assets - being depreciated, net	<u>\$ 2,783</u>	<u>\$ (2,116)</u>	<u>\$ -</u>	<u>\$ 667</u>

Note 3. Investments

The Foundation's investments are carried at fair value based on quoted prices in active markets (all Level 1 measurements) and consist of the following at December 31, 2017:

	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Gain</u>
December 31, 2017			
Mutual Funds	<u>\$ 17,050</u>	<u>\$ 24,124</u>	<u>\$ 7,074</u>

Note 4. Due to George Rodrigue Park

The Foundation has collected donations specific to the creation and construction of the newly planned George Rodrigue Park. It is anticipated that these donations will be forwarded to another non-profit entity specifically tasked with the construction and development of the park. As such, the Foundation has recognized these donations as a liability within the financial statements.

Note 5. Restatement of Financial Statements

During the fiscal year ended December 31, 2016, the Foundation recorded depreciation using the tax basis of accounting. A prior period adjustment was made to convert to straight-line (GAAP). The net effect is as follows:

Total net assets, December 31, 2016, as previously reported	\$ 181,239
Prior period adjustment to accumulated depreciation	<u>781</u>
Total net assets, December 31, 2016, restated	<u>\$ 182,020</u>

Note 6. Concentration of Credit Risk

The Foundation maintains cash balances at financial institutions, which at times may exceed federally insured limits. Management does not anticipate any losses related to this concentration.

NOTES TO FINANCIAL STATEMENTS

Note 7. Subsequent Event Review

The Foundation's management has evaluated subsequent events through June 25, 2018, the date which the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

NEW IBERIA MUSEUM FOUNDATION

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER
PAYMENTS TO AGENCY HEAD

For the Year Ended December 31, 2017

AGENCY HEAD: Marcia Patout

No compensation benefits or other payments made with public funds.

See Independent Accountants' Review Report.

NEW IBERIA MUSEUM FOUNDATION

SCHEDULE OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2017

	<u>Program Services</u>		<u>Supporting Services</u>		<u>Total Expenses</u>
	<u>Museum</u>	<u>Fund-Raising</u>	<u>Management and General</u>		
Advertising	\$ 3,077	\$ 675	\$ -	\$ 3,752	
Dues and subscriptions	8	20	368	396	
Insurance	6,134	-	-	6,134	
Office expense	-	-	4,950	4,950	
Outside services	37,225	-	-	37,225	
Payroll taxes	1,216	1,102	1,481	3,799	
Repairs and maintenance	6,701	-	-	6,701	
Salaries and wages	16,656	15,095	20,300	52,051	
Utilities	3,337	-	-	3,337	
Fundraising	-	13,389	-	13,389	
Exhibit costs	13,424	-	-	13,424	
Miscellaneous	-	-	101	101	
Total expenses before depreciation	\$ 87,778	\$ 30,281	\$ 27,200	\$ 145,259	
Depreciation	2,116	-	-	2,116	
Total	\$ 89,894	\$ 30,281	\$ 27,200	\$ 147,375	

See Independent Accountants' Review Report.

NEW IBERIA MUSEUM FOUNDATION
SCHEDULE OF CURRENT YEAR FINDINGS AND RESPONSES
Year Ended December 31, 2017

No findings in current year.

NEW IBERIA MUSEUM FOUNDATION
SCHEDULE OF PRIOR YEAR FINDINGS
Year Ended December 31, 2017

No findings in prior year.

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors
New Iberia Museum Foundation
d/b/a Bayou Teche Museum
New Iberia, Louisiana

We have performed the procedures enumerated below, which were agreed to by the management of New Iberia Museum Foundation, the Legislative Auditor, State of Louisiana, and applicable state grantor agency/agencies solely to assist the users in evaluating management's assertions about New Iberia Museum Foundation's compliance with certain laws and regulations during the year ended December 31, 2017 included in the accompanying Louisiana Attestation Questionnaire. Management of New Iberia Museum Foundation is responsible for its financial records and compliance with applicable laws and regulations. This agreed upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and the applicable standards of Government Auditing Standards. The sufficiency of the procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Federal, State, and Local Awards

1. Obtain the list of federal, state, and local government grant award expenditures for the fiscal year, by grant and grant year, from the Agency's management.

Federal, State, or Local Grant Name	Grant Year	CFDA No. (if applicable)	Amount
State of Louisiana-Department of Treasury	2017	N/A	\$ 10,000
Total Expenditures			\$ 10,000

2. For each federal, state, and local grant award, randomly select six disbursements from each grant administered during the fiscal year, provided that no more than 30 disbursements are selected.

We selected all four disbursements for testing.

3. Obtain documentation for the disbursements selected in Procedure 2. Compare the selected disbursements to supporting documentation, and report whether the disbursements agree to the amount and payee in the supporting documentation.

Each of the selected disbursements agreed to the amount and payee in the supporting documentation.

4. Report whether the selected disbursements were coded to the correct fund and general ledger account.

All of the disbursements were properly coded.

5. Report whether the selected disbursements were approved in accordance with the Agency's policies and procedures.

The Foundation's policies and procedures state that the director writes the checks and has the authority to sign all checks \$500 or less. For checks exceeding \$500, an additional signature is required from one of the executive board members. All of the disbursements selected for testing were approved in accordance with the Foundation's policies and procedures.

6. For each selected disbursement made for federal grant awards, obtain the *Compliance Supplement* for the applicable federal program. For each disbursement made for a state or local grant award, or for a federal program not included in the *Compliance Supplement*, obtain the grant agreement. Compare the documentation for each disbursement to the program compliance requirements or the requirements of the grant agreement relating to activities allowed or unallowed, eligibility, and reporting; and report whether the disbursements comply with these requirements.

N/A

7. Obtain the close-out reports, if required, for any program selected in Procedure 2 that was closed out during the fiscal year. Compare the close-out reports, if applicable, with the Agency's financial records; and report whether the amounts in the close-out reports agree with the Agency's financial records.

N/A

Open Meetings

8. Obtain evidence from management that agendas for meetings recorded in the minute book were posted as required by Louisiana Revised Statute 42:11 through 42:28 (the open meetings law), and report whether there are any exceptions.

N/A

Budget

9. For each grant exceeding five thousand dollars, obtain the comprehensive grant budgets that the agency provided to the applicable federal, state or local grantor agency. Report whether the budgets for federal, state and local grants included the purpose and duration of the grants; and whether budgets for state grants also included specific goals, objectives, and measures of performance.

The Foundation provided documentation that comprehensive budgets were submitted to the applicable state grantor agency for the grants exceeding five thousand dollars. These budgets included the purpose and duration of the grant program.

Prior-Year Comments

10. Obtain and report management's representation as to whether any prior year suggestions, recommendations, and/or comments have been resolved.

N/A- there were no prior year comments

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the agreed upon procedures listed above. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.



Lafayette, Louisiana
June 25, 2018

NEW IBERIA MUSEUM FOUNDATION

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Agencies)

_____ (Date Transmitted)

_____ (CPA Firm Name)

_____ (CPA Firm Address)

_____ (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of _____ (date) and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Federal, State, and Local Awards

We have detailed for you the amount of federal, state, and local award expenditures for the fiscal year, by grant and grant year.

Yes No

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and local grantor officials.

Yes No

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes No

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes No

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law). **Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meeting FAQs," available on the Legislative Auditor's website to determine whether a non-profit agency is subject to the open meetings law.**

Yes No

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes No

Reporting

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes No

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes No

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes No

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes No

General

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes No

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes No

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

Yes No

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.

Yes No

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.

Yes No

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Yes No

The previous responses have been made to the best of our belief and knowledge.

<u>Rebecca Collins</u>	Secretary	<u>6/20/18</u>	Date
<u>[Signature]</u>	Treasurer	<u>6/20/18</u>	Date
<u>[Signature]</u>	President	<u>6/20/18</u>	Date