



LOUISIANA STATE BOARD OF
PRIVATE SECURITY EXAMINERS
DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS

BASIC FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED JUNE 30, 2012

**LOUISIANA STATE BOARD OF PRIVATE SECURITY EXAMINERS
DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS
BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2012**

TABLE OF CONTENTS

	<u>Page No.</u>
BASIC FINANCIAL STATEMENTS	
Independent Accountants' Compilation Report.....	1
Fund Financial Statements	
Statement of Net Assets	4
Statement of Revenues, Expenses and Changes in Fund Net Assets.....	5
Statement of Cashflows	6
Required Supplemental Information	
Budgetary Comparison Schedule.....	9
SUPPLEMENTAL SCHEDULES AND INFORMATION	
Schedule of Per Diem Paid to Board Members	11
Independent Accountants' Report on Applying	
Agreed-Upon Procedures.....	12
Schedule of Findings and Responses.....	17
Summary Schedule of Prior Year Findings	18
Management's Corrective Action Plan.....	19
OTHER REQUIRED SUPPLEMENTARY INFORMATION	
Louisiana's Comprehensive Annual Financial Report	21

BASIC FINANCIAL STATEMENTS

MARY SUE STAGES, CPA
A PROFESSIONAL ACCOUNTING CORPORATION

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Louisiana Society of Certified Public Accountants
American Institute of Certified Public Accountants
Association of Governmental Accountants
Governmental Audit Quality Control Center

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Board Members of the
Louisiana State Board of Private Security Examiners
15730 Old Hammond Highway
Baton Rouge, Louisiana 70816

We have compiled the accompanying financial statements of the business-type activities of the Louisiana State Board of Private Security Examiners, a component unit of the State of Louisiana, as of and for the year ended June 30, 2012, which collectively comprise the Board's basic financial statements as listed in the table of contents. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

The management of the Louisiana State Board of Private Security Examiners 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 and for designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

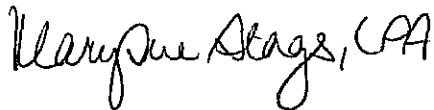
Our responsibility is to conduct the compilation in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist the management of the Louisiana State Board of Private Security Examiners in presenting financial information in the form of financial statements without undertaking to provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Board's financial position, results of operation and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The budgetary comparison information is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have compiled the supplementary information from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or provide any assurance on the supplementary information.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report, dated October 17, 2012, on the results of applying agreed-upon procedures.

The accompanying supplemental information listed in the table of contents under supplemental schedules and information is presented for purposes of additional analysis and is not a required part of the basic financial statements. We have compiled this supplementary information from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or provide any assurance on the supplementary information.

A handwritten signature in black ink that reads "Mary Sue Stages, CPA". The signature is written in a cursive style.

Mary Sue Stages, CPA
A Professional Accounting Corporation
October 17, 2012

FUND FINANCIAL STATEMENTS

**LOUISIANA STATE BOARD OF PRIVATE SECURITY EXAMINERS
DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS
STATEMENT OF NET ASSETS
JUNE 30, 2012**

	Business-type Activities
ASSETS	
Current Assets	
Cash and cash equivalents	\$ 452,623.64
Non-Current Assets	
Land	90,000.00
Building	359,844.50
Computer/equipment	91,737.60
Vehicles	14,263.00
Accumulated depreciation	(190,858.67)
Total Non-Current Assets	364,986.43
Total Assets	817,610.07
LIABILITIES	
Current Liabilities	
Accounts payable	21,615.62
Accrued salaries payable	6,990.81
Payroll taxes withheld and related payables	12,734.71
Total Current Liabilities	41,341.14
Non-Current Liabilities	
Compensated absences payable	51,631.72
Other post-employment benefits payable	439,251.53
Total Non-Current Liabilities	490,883.25
Total Liabilities	532,224.39
NET ASSETS	
Invested in capital assets, net of related debt	364,986.43
Designated for post-retirement benefits	150,000.00
Unrestricted, undesignated	(229,600.75)
Total Net Assets	285,385.68

See Independent Accountants' Compilation Report

**LOUISIANA STATE BOARD OF PRIVATE SECURITY EXAMINERS
DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET ASSETS
YEAR ENDED JUNE 30, 2012**

	Business-type Activities
OPERATING REVENUES	
Licenses and other fees	\$ 662,175.50
Fines	154,645.00
Total Operating Revenues	816,820.50
OPERATING EXPENSES	
Salaries and related benefits	697,172.25
Meetings, conferences and travel	2,933.96
Professional services	42,306.56
Maintenance and repairs	13,424.54
General and administrative	81,278.33
Depreciation	22,153.22
Total Operating Expenses	859,268.86
Operating Loss	(42,448.36)
NON-OPERATING REVENUES (EXPENSES)	
Interest income	405.36
Refunds/reimbursements	2,207.00
Total Non-Operating Revenues (Expenses)	2,612.36
Change in Net Assets	(39,836.00)
Total Net Assets, beginning	325,221.68
Total Net Assets, ending	285,385.68

See Independent Accountants' Compilation Report

**LOUISIANA STATE BOARD OF PRIVATE SECURITY EXAMINERS
DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS
STATEMENT OF CASHFLOWS
YEAR END JUNE 30, 2012**

	Business-type Activities
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 816,820.50
Cash paid to suppliers for goods/services	(125,267.53)
Cash paid to employees for services	(634,424.21)
Net Cash Provided by Operating Activities	57,128.76
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Refunds/reimbursements received	2,207.00
Net Cash Provided by Non-Capital Financing Activities	2,207.00
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	(5,705.00)
Net Cash Used for Capital and Related Financing Activities	(5,705.00)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest earned on money market accounts	405.36
Net Cash Provided by Investing Activities	405.36
Net Increase in Cash and Cash Equivalents	54,036.12
Cash and Cash Equivalents, beginning of year	398,587.52
Cash and Cash Equivalents, end of year	452,623.64

Continued

**LOUISIANA STATE BOARD OF PRIVATE SECURITY EXAMINERS
DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS
STATEMENT OF CASHFLOWS (Continued)
YEAR END JUNE 30, 2012**

	<u>Business-type Activities</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating loss	(42,448.36)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:	
<i>Depreciation</i>	22,153.22
Increase (decrease) in liabilities:	
Accounts payable	14,675.86
Payroll taxes withheld and related payables	2,630.27
Accrued salaries payable	3,363.92
Compensated absences payable	2,165.95
Other post-employment benefits	<u>54,587.90</u>
Net Cash Provided by Operating Activities	<u><u>57,128.76</u></u>

See Independent Accountants' Compilation Report

REQUIRED SUPPLEMENTAL INFORMATION

**LOUISIANA STATE BOARD OF PRIVATE SECURITY EXAMINERS
DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS
BUDGETARY COMPARISON SCHEDULE
YEAR END JUNE 30, 2012**

	Budgeted		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
OPERATING REVENUES				
Licenses and other fees	\$ 579,500.00	\$ 485,530.00	\$ 662,175.50	\$ 176,645.50
Fines	160,000.00	149,233.00	154,645.00	5,412.00
Total Operating Revenues	739,500.00	634,763.00	816,820.50	182,057.50
OPERATING EXPENSES				
Salaries and related benefits	570,000.00	640,000.00	697,172.25	(57,172.25)
Meetings, conferences and travel	10,800.00	10,800.00	2,933.96	7,866.04
Professional services	78,200.00	78,200.00	42,306.56	35,893.44
Maintenance and repairs	10,200.00	10,200.00	13,424.54	(3,224.54)
General and administrative	73,710.00	116,710.00	81,278.33	35,431.67
Depreciation	24,000.00	24,000.00	22,153.22	1,846.78
Total Operating Expenses	766,910.00	879,910.00	859,268.86	20,641.14
Operating Income (Loss)	(27,410.00)	(245,147.00)	(42,448.36)	202,698.64
NON-OPERATING REVENUES (EXPENSES)				
Interest income	300.00	385.00	405.36	20.36
Refunds/reimbursements	-	2,044.00	2,207.00	163.00
Total Non-Operating Revenues (Expenses)	300.00	2,429.00	2,612.36	183.36
Change in Net Assets	(27,110.00)	(242,718.00)	(39,836.00)	202,882.00
Net Assets, beginning	325,221.68	325,221.68	325,221.68	-
Net Assets, ending	298,111.68	82,503.68	285,385.68	202,882.00

See Independent Accountants' Compilation Report

SUPPLEMENTAL SCHEDULES AND INFORMATION

**LOUISIANA STATE BOARD OF PRIVATE SECURITY EXAMINERS
DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS
SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS
JUNE 30, 2012**

In compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature, a schedule of per diem/compensation paid to Board members is required supplemental information.

Board members of the Louisiana State Board of Private Security Examiners do not receive a per diem for attending Board meetings. Provided sufficient documentation is obtained, they may be paid for actual expenses related to Board business.

Below is a listing of board members as of June 30, 2012.

District 1	Gurvich, Jr., Louis (Chair)
District 2	Romero, James H. "Chip"
District 3	Baer, Thomas L.
District 4	Duplechain, Charles V.
District 5	Cotton, Donald O.
At Large	Kennedy, Kenneth R. Lockett, Denise Vinson, Christine Rojas, George

See Independent Accountants' Compilation Report

MARY SUE STAGES, CPA
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Louisiana Society of Certified Public Accountants
American Institute of Certified Public Accountants
Association of Governmental Accountants
Governmental Audit Quality Control Center

INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board Members of the
Louisiana State Board of Private Security Examiners
15730 Old Hammond Highway
Baton Rouge, Louisiana 70816

We have performed the procedures enumerated below as they are a required part of the engagement. We are required to perform each procedure and report the results, including any exceptions. Management is required to provide a corrective action plan that addresses all exceptions noted. For any procedures that do not apply, we have marked "not applicable".

Management of the Louisiana State Board of Private Security Examiners, a component unit of the State of Louisiana, is responsible for its financial records, establishing internal controls over financial reporting and compliance with applicable laws and regulations. These procedures were agreed to by management of the Louisiana State Board of Private Security Examiners and the Legislative Auditor, State of Louisiana, solely to assist the users in assessing certain controls and in evaluating management's assertions about the Louisiana State Board of Private Security Examiners' compliance with certain laws and regulations during the year ended June 30, 2012.

This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of 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.

General

1. Determine if there are adequate written policies and procedures for the primary financial and business functions of the entity.

No exceptions noted.

2. Perform analytical procedures comparing current and prior year financial statements by line item. Identify and obtain explanations for variances of 10% or greater for line items and/or 10% or more of the respective assets, liabilities, equity, revenues and expenses.

No exceptions noted.

Cash

1. Prepare a proof of cash for the period covered by the financial statements.

This was accomplished for each bank account maintained by the Board.

2. Determine if cash collection responsibilities are adequately segregated to ensure that the person responsible for cash collections is not responsible for posting accounts receivable or making deposits.

No exceptions noted.

3. Determine if bank reconciliations have been prepared for all months in the period covered by the financial statements. Determine if there is evidence of management review of the bank reconciliations. Determine if the reconciled balance for the final month of the fiscal or calendar year agrees to the general ledger.

No exceptions noted.

Credit Cards

1. Obtain from management a listing of all active credit/debit cards for the period under examination, including the card numbers and the names of the persons who maintained possession of the card.

This information was obtained.

2. Obtain the monthly statements for all credit/debit cards used during the period under examination and select for detailed review the largest (dollar amount) statement for the two cards with the most activity:

a. obtain the entity's supporting documentation for the largest purchase/charge shown on each selected monthly statement:

1. determine if each purchase is supported by:

- i. an original itemized receipt;
- ii. documentation of the business/public purpose;
- iii. other documentation as may be required by policy; and

2. determine if selected purchases effectively circumvented the entity's normal procurement/purchasing process and/or the Louisiana Public Bid Law.

b. determine if there is evidence of management review of the two selected statements.

No exceptions noted.

Travel and Expense Reimbursement

1. Obtain a listing of all travel and related expense reimbursements during the period under examination and trace to the general ledger for completeness. Select for review the three persons who were reimbursed the most money:

a. obtain all of the expense reimbursement reports of each selected person, including the supporting documentation and choose the largest expense report from each person to review in detail:

1. determine if each expenditure is:
 - i. reimbursed in accordance with written policy and applicable laws;
 - ii. for an appropriate and necessary business purpose relative to the travel; and
2. determine if each expenditure is supported by:
 - i. an original itemized receipt;
 - ii. documentation of the business/public purpose;
 - iii. other documentation as may be required by policy; and

3. determine if each expense report was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No exceptions noted.

Contracts

1. Review accounting records for the period under examination to identify individuals/businesses being paid for contracted services. Select five "vendors" that were paid the most money during the period and determine if there is a formal/written contract that supports these services arrangement.

Appropriate review and information was obtained.

2. Obtain a listing of all active contracts and the expenditures made during the period under examination and trace to the general ledger for completeness. Select for detailed review, the largest (dollar amount) contract in each of the following categories that was entered into during the period - (1) services; (2) materials and supplies; and (3) public works.

a. obtain the selected contract and the related paid invoices and:

1. determine if the contract is a related party transaction by obtaining management's representation; and

2. determine if the transaction is subject to the Louisiana Public Bid Law or Procurement Code:

 i. if yes, determine if the entity complied with all requirements; and
 ii. if no, determine if the entity provided an open and competitive atmosphere for the transaction/work; and

3. determine if the contract was amended;

- i. if so, determine whether the original contract contemplated or provided for such an amendment; and
 - ii. determine if the amendment is outside of the scope of the original contract:
 - a. if so, whether it should have been separately bid and contracted; and
4. select the largest payment from each of the three largest contracts selected above and determine if the invoice(s) received and payment complied with the terms and conditions of the contract; and
5. determine if there is documentation of board approval, if required.

No exceptions noted.

Payroll and Personnel

1. Obtain a listing of employment contracts/salaries in force during the period under examination and trace to the general ledger for completeness. Select the five highest paid employees and:
 - a. determine if payments issued during the period under examination were done in strict accordance with the terms and conditions of the contract or pay rate structure; and
 - b. determine if changes made to hourly pay rates/salaries during the period under examination were approved in writing and in accordance with policy.

No exceptions noted.

2. Select the attendance and leave records for one pay period in which leave has been taken by at least one employee and:
 - a. determine if all employees are documenting their daily attendance and leave; and
 - b. determine if supervisors are approving, in writing, the attendance and leave of all employees; and
 - c. determine if the entity is maintaining accurate written leave records on all eligible employees.

No exceptions noted.

3. Select the two largest termination payments made during the period under examination. Determine if the payments were supported by adequate documentation made in strict accordance with policy and/or contract and properly approved.

Not applicable.

Budget

1. Obtain a copy of the legally adopted budget and all amendments.

Copies were obtained.

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

The adoption and subsequent amendment was traced to the minute book.

3. Compare the total revenues and total expenditures of the final budget to actual total revenues and total expenditures on the financial statements or AFR. Report variances of 10% or greater.

No exceptions noted.

Debt

1. If debt was issued during the financial statement period, verify that State Bond Commission approval was obtained, as applicable.

Not applicable.

2. Determine compliance with applicable debt covenants.

Not applicable.

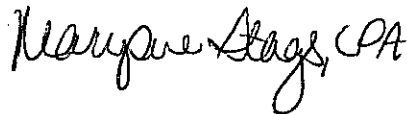
Corrective Action

1. Obtain management's response and corrective action plan for any exceptions noted in the above agreed-upon procedures.

Not applicable.

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

This report is intended solely for the use of management of the Louisiana State Board of Private Security Examiners and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:515, this report is distributed by the Legislative Auditor as a public document.



Mary Sue Stages, CPA
A Professional Accounting Corporation
October 17, 2012

**LOUISIANA STATE BOARD OF PRIVATE SECURITY EXAMINERS
DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2012**

We have compiled the financial statements of the Louisiana State Board of Private Investigator Examiners as of and for the year ended June 30, 2012, and have issued our report thereon dated August 15, 2012. We conducted our compilation in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants.

Financial Statement Findings

2012.01 Audit Law

Criteria. Louisiana Revised Statute 24:513 requires that financial statements be submitted to the Legislative Auditor. Because the Board is a component unit of the State of Louisiana, the deadline for providing the appropriate documents is 60 days from the close of the fiscal year or August 31st. This deadline was not met for the year ended June 30, 2012.

Impact. The District is not in compliance with applicable laws.

Recommendation. We recommend that the books and records be provided no later than July 31st of each year for completion of the appropriate attest services by August 31st.

Management's Response. This was an oversight by outside parties, but we will make sure that this deadline is met in the future.

**LOUISIANA STATE BOARD OF PRIVATE SECURITY EXAMINERS
DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
YEAR ENDED JUNE 30, 2012**

The following finding was noted in the prior year report dated August 12, 2011.

2011.01 Compliance with Budget Act

Condition. Total expenditures were over budgeted amounts by \$90,830 or 11.8%. The Budget Act requires that actual revenues and expenditures be within 5% of budgeted amounts.

Recommendation. Review actual to budget comparison on a periodic basis not less than quarterly and make amendments if necessary.

Disposition. Resolved.

**LOUISIANA STATE BOARD OF PRIVATE SECURITY EXAMINERS
DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS
MANAGEMENT'S CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2012**

Financial Statement Findings

Please refer to Schedule of Findings and Responses for year-end June 30, 2012

OTHER REQUIRED SUPPLEMENTAL INFORMATION

**LOUISIANA STATE BOARD OF PRIVATE SECURITY EXAMINERS
DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS
SUPPLEMENTAL INFORMATION SCHEDULES
JUNE 30, 2012**

LOUISIANA'S COMPREHENSIVE ANNUAL FINANCIAL REPORT

As a component unit of the State of Louisiana, the financial statements of the Louisiana State Board of Private Security Examiners are included in Louisiana's Comprehensive Annual Financial Report. Following are the statements being submitted to the Division of Administration for reporting purposes. The amounts recorded have been subjected to the same auditing procedures as those recorded in the accompanying financial statements.

STATE BOARD OF PRIVATE SECURITY EXAMINERS
STATE OF LOUISIANA
Annual Financial Statements
June 30, 2012

C O N T E N T S

	<u>Statements</u>
AFFIDAVIT	
Balance Sheet	A
Statement of Revenues, Expenses, and Changes in Fund Net Assets	B
Statement of Activities (See Also Instructions for Simplified Statement of Activities)	C
Statement of Cash Flows	D
Notes to the Financial Statements	
A. Summary of Significant Accounting Policies	1
B. Budgetary Accounting	2
C. Deposits with Financial Institutions and Investments	2
D. Capital Assets – Including Capital Lease Assets	4
E. Inventories	5
F. Restricted Assets	5
G. Leave	6
H. Retirement System	6
I. Other Postemployment Benefits	7
J. Leases	7
K. Long-Term Liabilities	8
L. Contingent Liabilities	8
M. Related Party Transactions	8
N. Accounting Changes	8
O. In-Kind Contributions	8
P. Defeased Issues	8
Q. Revenues or Receivables – Pledged or Sold (GASB 48)	8
R. Government-Mandated Non-exchange Transactions (Grants)	9
S. Violations of Finance-Related Legal or Contractual Provisions	9
T. Short-Term Debt	9
U. Disaggregation of Receivable Balances	9
V. Disaggregation of Payable Balances	9
W. Subsequent Events	9
X. Segment Information	9
Y. Due to/Due from and Transfers	9
Z. Liabilities Payable from Restricted Assets	9
AA. Prior-Year Restatement of Net Assets	9
BB. Net Assets Restricted by Enabling Legislation	10
CC. Impairment of Capital Assets	10
DD. Employee Termination Benefits	10
EE. Pollution Remediation Obligations	10
FF. American Recovery and Reinvestment Act (ARRA)	10
GG. Restricted Net Assets - Other Specific Purposes	10
Schedules	
1 Schedule of Per Diem Paid to Board Members	11
15 Schedule of Comparison Figures and Instructions	12

STATE OF LOUISIANA
Annual Financial Statements
Fiscal Year Ending June 30, 2012

**Louisiana State Board of Private Security Examiners
15703 Old Hammond Highway
Baton Rouge, Louisiana 70816**

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

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

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Claiborne Building, 6th Floor, Suite 6-130
Baton Rouge, Louisiana 70802

Physical Address:
1600 N. Third Street
Baton Rouge, Louisiana 70802

AFFIDAVIT

Personally came and appeared before the undersigned authority, Wayne Rogillio, Executive Secretary of the Louisiana State Board of Private Security Examiners who duly sworn, deposes and says, that the financial statements herewith given present fairly the financial position of the Louisiana State Board of Private Security Examiners at June 30, 2012 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 23 day of Oct., 2012.

Wayne R. Rogillio
Signature of Agency Official

Michele M. Girard
Michele M. Girard NOTARY PUBLIC
041619

Prepared by: Mary Sue Stages, CPA
Title: Independent CPA
Telephone No.: 225-775-4982
Date: 10/18/2012
Email Address: m.stages@att.net

**STATE OF LOUISIANA
LOUISIANA STATE BOARD OF PRIVATE SECURITY EXAMINERS
BALANCE SHEET
AS OF JUNE 30, 2011**

Statement A

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$	452,624
Restricted Cash and Cash Equivalents		
Investments		
Derivative instrument		
Deferred outflow of resources		
Receivables (net of allowance for doubtful accounts)(Note U)		
Due from other funds (Note Y)		
Due from federal government		
Inventories		
Prepayments		
Notes receivable		
Other current assets		
Total current assets		452,624

NONCURRENT ASSETS:

Restricted assets (Note F):		
Cash		
Investments		
Receivables		
Investments		
Notes receivable		
Capital assets, net of depreciation (Note D)		
Land and non-depreciable easements		90,000
Buildings and improvements		252,501
Machinery and equipment		19,429
Vehicles		3,056
Intangible assets		
Construction/Development-in-progress		
Other noncurrent assets		
Total noncurrent assets		364,986
Total assets	\$	817,609

LIABILITIES

CURRENT LIABILITIES:

Accounts payable and accruals (Note V)	\$	41,341
Derivative instrument		
Deferred inflow of resources		
Due to other funds (Note Y)		
Due to federal government		
Deferred revenues		
Amounts held in custody for others		
Other current liabilities		
Current portion of long-term liabilities: (Note K)		
Contracts payable		
Compensated absences payable		
Capital lease obligations		
Claims and litigation payable		
Notes payable		
Pollution remediation obligation		
Bonds payable (include unamortized costs)		
Other long-term liabilities		
Total current liabilities		41,341

NONCURRENT LIABILITIES: (Note K)

Contracts payable		
Compensated absences payable		51,632
Capital lease obligations		
Claims and litigation payable		
Notes payable		
Pollution remediation obligation		
Bonds payable (include unamortized costs)		
OPEB payable		439,252
Other long-term liabilities		
Total noncurrent liabilities		490,883
Total liabilities		532,224

NET ASSETS

Invested in capital assets, net of related debt		364,986
Restricted for:		
Capital projects		
Debt Service		
Unemployment compensation		
Other specific purposes		150,000
Unrestricted		(229,602)
Total net assets		285,384
Total liabilities and net assets	\$	817,609

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

STATE OF LOUISIANA
BOARD OF PRIVATE SECURITY EXAMINERS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2012

Statement B

OPERATING REVENUE	
Sales of commodities and services	\$ _____
Assessments	_____
Use of money and property	_____
Licenses, permits, and fees	816,821
Other	_____
Total operating revenues	816,821
OPERATING EXPENSES	
Cost of sales and services	_____
Administrative	837,116
Depreciation	22,153
Amortization	_____
Total operating expenses	859,269
Operating income(loss)	(42,448)
NON-OPERATING REVENUES(EXPENSES)	
State appropriations	_____
Intergovernmental revenues(expenses)	_____
Taxes	_____
Use of money and property	_____
Gain on disposal of fixed assets	_____
Loss on disposal of fixed assets	_____
Federal grants	_____
Interest income	405
Other revenue	2,205
Other expense	_____
Total non-operating revenues(expenses)	2,610
Income(loss) before contributions, extraordinary items, & transfers	(39,838)
Capital contributions	_____
Extraordinary item - Loss on impairment of capital assets	_____
Transfers in	_____
Transfers out	_____
Change in net assets	(39,838)
Total net assets – beginning	325,222
Total net assets – ending	\$ 285,384

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

STATE OF LOUISIANA
 BOARD OF PRIVATE SECURITY EXAMINERS
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2012

Statement C

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
	Expenses	Charges for Services	Operating Grants and Contributions		Capital Grants and Contributions
Entity	\$ 859,269	\$ 816,821	\$	\$	\$ (42,448)
General revenues:					
Taxes					
State appropriations					
Grants and contributions not restricted to specific programs					
Interest					405
Miscellaneous					2,205
Special items					
Extraordinary item - Loss on impairment of capital assets					
Transfers					
Total general revenues, special items, and transfers					2,610
Change in net assets					(39,838)
Net assets - beginning as restated					325,222
Net assets - ending					\$ 285,384

The accompanying notes are an integral part of this statement.

**STATE OF LOUISIANA
BOARD OF PRIVATE SECURITY EXAMINERS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2012**

**Statement D
(continued)**

Cash flows from operating activities		
Cash received from customers	\$ 816,821	
Cash payments to suppliers for goods and services	(125,268)	
Cash payments to employees for services	(634,424)	
Payments in lieu of taxes		
Internal activity-payments to other funds		
Claims paid to outsiders		
Other operating revenues(expenses)		
Net cash provided(used) by operating activities		<u>57,129</u>
Cash flows from non-capital financing activities		
State appropriations		
Federal receipts		
Federal disbursements		
Proceeds from sale of bonds		
Principal paid on bonds		
Interest paid on bond maturities		
Proceeds from issuance of notes payable		
Principal paid on notes payable		
Interest paid on notes payable		
Operating grants received		
Transfers in		
Transfers out		
Other	2,205	
Net cash provided(used) by non-capital financing activities		<u>2,205</u>
Cash flows from capital and related financing activities		
Proceeds from sale of bonds		
Principal paid on bonds		
Interest paid on bond maturities		
Proceeds from issuance of notes payable		
Principal paid on notes payable		
Interest paid on notes payable		
Acquisition/construction of capital assets	(5,705)	
Proceeds from sale of capital assets		
Capital contributions		
Other		
Net cash provided(used) by capital and related financing activities		<u>(5,705)</u>
Cash flows from investing activities		
Purchases of investment securities		
Proceeds from sale of investment securities		
Interest and dividends earned on investment securities	405	
Net cash provided(used) by investing activities		<u>405</u>
Net increase(decrease) in cash and cash equivalents		<u>54,034</u>
Cash and cash equivalents at beginning of year		<u>398,590</u>
Cash and cash equivalents at end of year	\$	<u><u>452,624</u></u>

**STATE OF LOUISIANA
 BOARD OF PRIVATE SECURITY EXAMINERS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2012**

**Statement D
 (concluded)**

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

Operating income(loss)		\$ <u>(42,448)</u>
Adjustments to reconcile operating income(loss) to net cash provided(used) by operating activities:		
Depreciation/amortization	<u>22,153</u>	
Provision for uncollectible accounts	<u> </u>	
Other	<u> </u>	
Changes in assets and liabilities:		
(Increase)decrease in accounts receivable, net	<u> </u>	
(Increase)decrease in due from other funds	<u> </u>	
(Increase)decrease in prepayments	<u> </u>	
(Increase)decrease in inventories	<u> </u>	
(Increase)decrease in other assets	<u> </u>	
Increase(decrease) in accounts payable and accruals	<u>20,670</u>	
Increase(decrease) in compensated absences payable	<u>2,166</u>	
Increase(decrease) in due to other funds	<u> </u>	
Increase(decrease) in deferred revenues	<u> </u>	
Increase(decrease) in OPEB payable	<u>54,588</u>	
Increase(decrease) in other liabilities	<u> </u>	
 Net cash provided(used) by operating activities		 \$ <u>57,129</u>

Schedule of noncash investing, capital, and financing activities:

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

The accompanying notes are an integral part of this statement.

**STATE OF LOUISIANA
BOARD OF PRIVATE SECURITY EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2012**

INTRODUCTION

The Board was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute 37:3270-3298. The following is a brief description of the operations of the Board and includes the parish/parishes in which it is located:

The Board is composed of nine members that are appointed by the Governor of the State of Louisiana and serve five-year terms. The members are not compensated for their services

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of the Board present information only as to the transactions of the programs of the Board as authorized by Louisiana statutes and administrative regulations.

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the Board are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration – Office of Statewide Reporting and Accounting Policy as follows:

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

**STATE OF LOUISIANA
 BOARD OF PRIVATE SECURITY EXAMINERS
 Notes to the Financial Statement
 As of and for the year ended June 30, 2012**

B. BUDGETARY ACCOUNTING

The appropriations made for the operations of the various programs of the Board are annual lapsing appropriations.

1. The budgetary process is an annual appropriation valid for one year.
2. The agency is prohibited by statute from over expending the categories established in the budget.
3. Budget revisions are granted by the Joint Legislative Committee on the Budget, a committee of the Louisiana Legislature. Interim emergency appropriations may be granted by the Interim Emergency Board.
4. The budgetary information included in the financial statements includes the original appropriation plus subsequent amendments as follows:

	APPROPRIATIONS
Original approved budget	\$ <u>766,910</u>
Amendments:	<u>113,000</u>
	<u> </u>
	<u> </u>
Final approved budget	\$ <u><u>879,910</u></u>

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

1. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the Board may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the Board may invest in time certificates of deposit in any bank domiciled or having a branch office in the state of Louisiana; in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

For the purpose of the Statement of Cash Flows and balance sheet presentation, all highly liquid investments (including negotiable CDs and restricted cash and cash equivalents) and deposits (including nonnegotiable CDs and restricted cash and cash equivalents) with a maturity of three months or less when purchased are considered to be cash equivalents.

Deposits in bank accounts are stated at cost, which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities

STATE OF LOUISIANA
BOARD OF PRIVATE SECURITY EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2012

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 required to be 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.

GASB Statement 40, which amended GASB Statement 3, eliminated the requirement to disclose all deposits by 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 either 1) uninsured and uncollateralized, 2) uninsured and collateralized with securities held by the pledging financial institution, or 3) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the entity's name.

The deposits at June 30, 2012, consisted of the following:

	Cash	Nonnegotiable Certificates of Deposit	Other (Describe)	Total
Deposits per Balance Sheet (Reconciled bank balance)	\$ 452,624	\$	\$	\$ 452,624
Deposits in bank accounts per bank	\$ 466,386	\$	\$	\$ 466,386
Bank balances exposed to custodial credit risk:	\$	\$	\$	\$
a. Uninsured and uncollateralized	_____	_____	_____	_____
b. Uninsured and collateralized with securities held by the pledging institution	_____	_____	_____	_____
c. Uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the entity's name	_____	_____	_____	_____

**STATE OF LOUISIANA
BOARD OF PRIVATE SECURITY EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2012**

The following is a breakdown by banking institution, program, and amount of the “Deposits in bank accounts per bank” balances shown above:

	Banking Institution	Program	Amount
1.	Hancock	Operating	\$ 267,097
2.	Hancock	Money Market	199,288
3.			
4.			
Total			\$ 466,386

Cash in State Treasury and petty cash are not required to be reported in the note disclosure. However, to aid in reconciling amounts reported on the balance sheet to amounts reported in this note, list below any cash in treasury and petty cash that are included on the balance sheet.

Cash in State Treasury	\$ -0-
Petty cash	\$ -0-

2. INVESTMENTS

The Board does not maintain any investment accounts.

3. CREDIT RISK, INTEREST RATE RISK, CONCENTRATION OF CREDIT RISK, AND FOREIGN CURRENCY RISK DISCLOSURES

N/A

D. CAPITAL ASSETS – INCLUDING CAPITAL LEASE ASSETS

The fixed assets used in the Special Purpose Government Engaged only in Business-Type Activities are included on the balance sheet of the entity and are capitalized at cost. Depreciation of all exhaustible fixed assets used by the entity is charged as an expense against operations. Accumulated depreciation is reported on the balance sheet. Depreciation for financial reporting purposes is computed by the straight line method over the useful lives of the assets.

**STATE OF LOUISIANA
BOARD OF PRIVATE SECURITY EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2012**

Schedule of Capital Assets (includes capital leases)

<u>University/System</u>	Balance 6/30/2011	Prior Period Adjustments	Restated Balance 6/30/2011	Additions	* Reclassifi- cation of CIP	** Retirements	Balance 6/30/2012
Capital assets not depreciated:							
Land	\$ 90,000	\$ -	\$ 90,000	\$ -	\$ -	\$ -	\$ 90,000
Non-depreciable land improvements	-	-	-	-	-	-	-
Non-depreciable easements	-	-	-	-	-	-	-
Capitalized collections	-	-	-	-	-	-	-
Software - development in progress	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-
Total capital assets not depreciated	\$ 90,000	\$ -	\$ 90,000	\$ -	\$ -	\$ -	\$ 90,000
Other capital assets:							
Depreciable land improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
** Accumulated depreciation	-	-	-	-	-	-	-
Total infrastructure	-	-	-	-	-	-	-
Buildings	359,845	-	359,845	-	-	-	359,845
** Accumulated depreciation	(98,325)	-	(98,325)	(9,018)	-	-	(107,343)
Total building	261,520	-	261,520	(9,018)	-	-	252,501
Machinery & Equipment	86,033	-	86,033	5,705	-	-	91,738
** Accumulated depreciation	(61,211)	-	(61,211)	(11,098)	-	-	(72,309)
Total machinery & equipment	24,822	-	24,822	(5,393)	-	-	19,429
Vehicles	14,263	-	14,263	-	-	-	14,263
** Accumulated depreciation	(9,170)	-	(9,170)	(2,037)	-	-	(11,207)
Total vehicles	5,093	-	5,093	(2,037)	-	-	3,056
Software (internally generated & purchased)	-	-	-	-	-	-	-
Other intangibles	-	-	-	-	-	-	-
** Accumulated amortization - software	-	-	-	-	-	-	-
** Accumulated amortization - other intangibles	-	-	-	-	-	-	-
Total intangibles	-	-	-	-	-	-	-
Total other capital assets	\$ 291,435	\$ -	\$ 291,435	\$ (16,448)	\$ -	\$ -	\$ 274,986
Capital asset summary:							
Capital assets not depreciated	\$ 90,000	\$ -	\$ 90,000	\$ -	\$ -	\$ -	\$ 90,000
Other capital assets, book value	460,141	-	460,141	5,705	-	-	465,846
Total cost of capital assets	550,141	-	550,141	5,705	-	-	555,846
Accumulated depreciation/amortization	(168,706)	-	(168,706)	(22,153)	-	-	(190,859)
Capital assets, net	\$ 381,435	\$ -	\$ 381,435	\$ (16,448)	\$ -	\$ -	\$ 364,986

* Should only be used for those completed projects coming out of construction-in-progress to fixed assets.

** Enter a negative number except for accumulated depreciation in the retirement column

E. INVENTORIES

N/A

F. RESTRICTED ASSETS

N/A

**STATE OF LOUISIANA
BOARD OF PRIVATE SECURITY EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2012**

G. LEAVE

1. COMPENSATED ABSENCES

The Board's employees earn and accumulate annual and sick leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expenditure in the fund when leave is actually taken; it is recognized in the enterprise funds when the leave is earned. Only annual leave is accrued in the accompanying statement of net assets, the amount unpaid at June 30, 2012, being \$51,632.

2. COMPENSATORY LEAVE

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 employees' hourly rate of pay at termination or transfer. There was no compensatory leave time accrued at June 30, 2012.

H. RETIREMENT SYSTEM

Substantially all of the employees of the Board are members of the Louisiana State Employees Retirement System (LASERS), a single employer defined benefit pension plan. The System is a statewide public employee retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees.

All full-time employees are eligible to participate in the System unless they elect to continue as a contributing member in any other retirement system for which they remain eligible for membership. Certain elected officials and officials appointed by the governor may, at their option, become members of LASERS. Normal benefits vest with 10 years of service. Generally, retirement age employees are entitled to annual benefits equal to \$300 plus 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service except for members eligible to begin participation in the Defined Benefit Plan (DBP) on or after July 1, 2006. Act 75 of the 2005 Regular Session changes retirement eligibility and final average compensation for members who are eligible to begin participation in the DBP beginning July 1, 2006. Retirement eligibility for these members is limited to age 60, or thereafter, upon attainment of ten years of creditable service. Final average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment.

STATE OF LOUISIANA
BOARD OF PRIVATE SECURITY EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2012

Vested employees eligible to begin participation in the DBP before July 1, 2006, are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. In addition, these vested employees have the option of reduced benefits at any age with 20 years of service. Those hired on or after July 1, 2006 have only a single age option. They cannot retire until age 60 with a minimum of 10 years of service. The System also provides death and disability benefits and deferred benefit options, with qualifications and amounts defined by statute. Benefits are established or amended by state statute. The System issues a publicly available annual financial report that includes financial statements and required supplementary information for the System. For a full description of the LASERS defined benefit plan, please refer to the LASERS 2008 Financial Statements, specifically, footnotes A – Plan Description and C – Contributions. That report may be obtained by writing to the Louisiana State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0608 or (800) 256-3000. The footnotes to the Financial Statements contain additional details and are also available on-line at:

http://lasers.websitegadget.com/uploads/LASERS_2010_CAFR.pdf

Members are required by state statute to contribute with the single largest group (“regular members”) contributing 7.5% of gross salary, and the Board is required to contribute at an actuarially determined rate as required by R.S. 11:102. The contribution rate for the fiscal year ended June 30, 2012, increased to 26.8% of annual covered payroll. The Board contributions to the System for the years ending June 30, 2012, 2011, and 2010, were \$9,290, \$10,384 and \$23,033, respectively, equal to the required contributions for each year.

I. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

The Board’s OPEB obligation for the year ended June 30, 2012, is as follows:

Annual required contribution/OPEB Cost	\$ 53,900
Adjustments for interest and amortization	688
Contributions made	<u>-0-</u>
Change in Net OPEB Obligation	54,588
Net OPEB obligation, beginning	<u>384,664</u>
Net OPEB obligation, ending	<u>439,252</u>

J. LEASES

1. OPERATING LEASES

N/A

2. CAPITAL LEASES

N/A

STATE OF LOUISIANA
 BOARD OF PRIVATE SECURITY EXAMINERS
 Notes to the Financial Statement
 As of and for the year ended June 30, 2012

K. LONG-TERM LIABILITIES

The following is a summary of long-term debt transactions for the year ended June 30, 2012:

	<u>Year ended June 30, 2012</u>				Amounts due within one year
	Balance June 30, 2011	Additions	Reductions	Balance June 30, 2012	
Notes and bonds payable:					
Notes payable	\$	\$	\$	\$	-
Bonds payable					-
Total notes and bonds	-	-	-	-	-
Other liabilities:					
Contracts payable					-
Compensated absences payable	49,466	2,166		51,632	
Capital lease obligations					-
Claims and litigation					-
Pollution remediation obligation					-
OPEB payable	384,664	54,588		439,252	
Other long-term liabilities					-
Total other liabilities	<u>434,130</u>	<u>56,754</u>	<u>-</u>	<u>490,884</u>	<u>-</u>
Total long-term liabilities	<u>\$ 434,130</u>	<u>\$ 56,754</u>	<u>\$ -</u>	<u>\$ 490,884</u>	<u>\$ -</u>

L. CONTINGENT LIABILITIES

N/A

M. RELATED PARTY TRANSACTIONS

N/A

N. ACCOUNTING CHANGES

N/A

O. IN-KIND CONTRIBUTIONS

N/A

P. DEFEASED ISSUES

N/A

Q. REVENUES – PLEDGED OR SOLD (GASB 48)

N/A

STATE OF LOUISIANA
 BOARD OF PRIVATE SECURITY EXAMINERS
 Notes to the Financial Statement
 As of and for the year ended June 30, 2012

R. GOVERNMENT-MANDATED NONEXCHANGE TRANSACTIONS (GRANTS)

N/A

S. VIOLATIONS OF FINANCE-RELATED LEGAL OR CONTRACTUAL PROVISIONS

N/A

T. SHORT-TERM DEBT

N/A

U. DISAGGREGATION OF RECEIVABLE BALANCES

N/A

V. DISAGGREGATION OF PAYABLE BALANCES

Payables at June 30, 2012, were as follows:

Fund	Vendors	Salaries and Benefits	Accrued Interest	Other Payables	Total Payables
General	\$ 21,616	\$ 19,726	\$	\$	\$ 41,341

W. SUBSEQUENT EVENTS

N/A

X. SEGMENT INFORMATION

N/A

Y. DUE TO/DUE FROM AND TRANSFERS

N/A

Z. LIABILITIES PAYABLE FROM RESTRICTED ASSETS

N/A

AA. PRIOR-YEAR RESTATEMENT OF NET ASSETS

N/A

STATE OF LOUISIANA
 BOARD OF PRIVATE SECURITY EXAMINERS
 Notes to the Financial Statement
 As of and for the year ended June 30, 2012

BB. NET ASSETS RESTRICTED BY ENABLING LEGISLATION (GASB 46)

N/A

CC. IMPAIRMENT OF CAPITAL ASSETS & INSURANCE RECOVERIES

N/A

DD. EMPLOYEE TERMINATION BENEFITS

N/A

EE. POLLUTION REMEDIATION OBLIGATIONS

N/A

FF. AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

N/A

GG. RESTRICTED NET ASSETS – OTHER SPECIFIC PURPOSES

Per GASB Statement 34, paragraph 34, net assets are reported as restricted when constraints on net asset use are either; externally imposed by creditors, such as through debt covenants, grantors, contributors, or laws or regulations of other governments imposed by law through constitutional provisions or enabling legislation. Restricted Net Assets are reported on the balance sheet as restricted by Capital Projects, Debt Service, Unemployment Compensation, and Other Specific Purposes. The balance sheet amount for Restricted Net Assets - Other Specific Purposes should be further defined by function as follows:

	<u>Restricted Net Assets</u>
Conservation and Environment	\$ _____
Corrections	_____
Culture, Recreation, and Tourism	_____
Education	_____
General Government	_____ 150,000
Health and Welfare	_____
Public Safety	_____
Transportation and Development	_____
Youth Services	_____
Total \$	150,000

STATE OF LOUISIANA

BOARD OF PRIVATE SECURITY EXAMINERS

COMPARISON FIGURES
(in thousands)

To assist OSRAP in determining the reason for the change in financial position for the State, please complete the schedule below. If the change is greater than \$3 million, explain the reason for the change.

	<u>2012</u>	<u>2011</u>	<u>Difference</u>	<u>Percentage Change</u>
1) Revenues	\$ 819	\$ 860	\$ -41	\$ 5%
Expenses	859	858	1	<1%
2) Capital assets	365	381	-16	<1%
Long-term debt	491	455	36	<1%
Net Assets	285	325	-40	<1%
Explanation for change:	<hr/> <hr/> <hr/> <hr/>			