

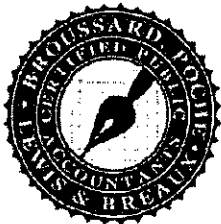
RAGIN' CAJUN FACILITIES, INC.
FINANCIAL REPORT
JUNE 30, 2011

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **JAN 18 2012**

C O N T E N T S

	Page
INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS	1 and 2
FINANCIAL STATEMENTS	
Statements of financial position	4 and 5
Statements of activities	6 and 7
Statements of cash flows	8
Notes to financial statements	9 - 16
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <u>GOVERNMENT AUDITING STANDARDS</u>	17 and 18
Schedule of findings and questioned costs	19
Schedule of prior year findings	20



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INDEPENDENT AUDITORS' REPORT

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To the Board of Directors
Ragin' Cajun Facilities, Inc.
Lafayette, Louisiana

We have audited the accompanying statements of financial position of Ragin' Cajun Facilities, Inc. (a nonprofit organization) as of June 30, 2011 and 2010 and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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 audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ragin' Cajun Facilities, Inc. as of June 30, 2010 and 2009, and the changes in its net assets and its cash flows for the years 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 a report dated September 30, 2011, on our consideration of Ragin' Cajun Facilities, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other

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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 read in conjunction with this report in assessing the results of our audit.

Bransard, Poche, Jerni & Bruny, LLP

Lafayette, Louisiana
September 30, 2011

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RAGIN' CAJUN FACILITIES, INC.

STATEMENTS OF FINANCIAL POSITION
June 30, 2011 and 2010

ASSETS	<u>2011</u>	<u>2010</u>
CURRENT ASSETS		
Rent receivable	\$ 525,351	\$ 517,894
Contributions receivable	307,000	175,000
Accrued interest receivable	<u>591,094</u>	<u>-</u>
	<u>\$ 1,423,445</u>	<u>\$ 692,894</u>
RESTRICTED ASSETS		
Cash	\$ 46,486,779	\$ 4,514,477
Investments	<u>65,039,037</u>	<u>-</u>
	<u>\$111,525,816</u>	<u>\$ 4,514,477</u>
PROPERTY AND EQUIPMENT		
Buildings	\$ 25,106,941	\$ 14,847,710
Furniture and equipment	2,294,529	1,899,602
Construction in progress	<u>35,955,935</u>	<u>10,092,110</u>
	\$ 63,357,405	\$ 26,839,422
Accumulated depreciation and amortization	<u>(5,175,654)</u>	<u>(4,109,303)</u>
Total property and equipment	<u>\$ 58,181,751</u>	<u>\$ 22,730,119</u>
OTHER ASSETS		
Bond issuance costs, net of accumulated amortization, \$320,599 and \$199,689, respectively	<u>\$ 4,800,562</u>	<u>\$ 986,283</u>
Total assets	<u>\$175,931,574</u>	<u>\$ 28,923,773</u>

See Notes to Financial Statements.

LIABILITIES AND NET ASSET	<u>2011</u>	<u>2010</u>
CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS		
Current maturities of bonds payable	\$ 835,000	\$ 410,000
Accounts payable	7,242,117	445,607
Accrued interest payable	<u>1,912,310</u>	<u>384,164</u>
Total current liabilities	\$ 9,989,427	\$ 1,239,771
LONG-TERM LIABILITIES		
Bonds payable less current maturities, net of original issue discount, \$2,695,880 and \$428,657, respectively	<u>148,019,120</u>	<u>28,871,343</u>
Total liabilities	<u>\$158,008,547</u>	<u>\$ 30,111,114</u>
NET ASSETS		
Unrestricted (deficit)	\$ 16,413,450	\$ (2,256,134)
Temporarily restricted	<u>1,509,577</u>	<u>1,068,793</u>
	<u>\$ 17,923,027</u>	<u>\$ (1,187,341)</u>
Total liabilities and net assets	<u>\$175,931,574</u>	<u>\$ 28,923,773</u>

RAGIN' CAJUN FACILITIES, INC.

STATEMENTS OF ACTIVITIES
Year Ended June 30, 2011

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES:			
Rental income	\$ 1,967,057	\$ -	\$ 1,967,057
Contributions	19,312,000	439,000	19,751,000
Interest income	43,426	1,784	45,210
	<u>\$ 21,322,483</u>	<u>\$ 440,784</u>	<u>\$ 21,763,267</u>
EXPENSES:			
Depreciation and amortization	\$ 1,066,351	\$ -	\$ 1,066,351
Interest expense	1,586,548	-	1,586,548
	<u>\$ 2,652,899</u>	<u>\$ -0-</u>	<u>\$ 2,652,899</u>
Change in net assets	\$ 18,669,584	\$ 440,784	\$ 19,110,368
Net assets at beginning of year - (deficit)	<u>(2,256,134)</u>	<u>1,068,793</u>	<u>(1,187,341)</u>
Net assets at end of year	<u>\$ 16,413,450</u>	<u>\$ 1,509,577</u>	<u>\$ 17,923,027</u>

See Notes to Financial Statements.

RAGIN' CAJUN FACILITIES, INC.

STATEMENTS OF ACTIVITIES
Year Ended June 30, 2010

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES:			
Rental income	\$ 1,066,743	\$ -	\$ 1,066,743
Contributions	-	175,000	175,000
Interest income	5,898	2,908	8,806
	<u>\$ 1,072,641</u>	<u>\$ 177,908</u>	<u>\$ 1,250,549</u>
EXPENSES:			
Depreciation and amortization	\$ 684,884	\$ -	\$ 684,884
Interest expense	878,771	-	878,771
	<u>\$ 1,563,655</u>	<u>\$ -0-</u>	<u>\$ 1,563,655</u>
Change in net assets - (deficit)	\$ (491,014)	\$ 177,908	\$ (313,106)
Net assets at beginning of year - (deficit)	<u>(1,765,120)</u>	<u>890,885</u>	<u>(874,235)</u>
Net assets at end of year - (deficit)	<u>\$ (2,256,134)</u>	<u>\$ 1,068,793</u>	<u>\$ (1,187,341)</u>

See Notes to Financial Statements.

RAGIN' CAJUN FACILITIES, INC.

STATEMENTS OF CASH FLOWS
Years Ended June 30, 2010 and 2009

	<u>2011</u>	<u>2010</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 19,110,368	\$ (313,106)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	1,066,351	684,884
Gains on investments	(10,856)	-
Amortized premiums on investments	60,423	-
Amortization of deferred bond cost and bond discount included in interest expense	61,271	33,542
Increase in rent and contributions receivable	(139,457)	(7,596)
Increase in accrued interest receivable	(84,546)	-
Increase (decrease) in accrued interest payable	169,977	(3,654)
Net cash provided by operating activities	<u>\$ 20,233,531</u>	<u>\$ 394,070</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	\$(68,026,472)	\$ -
Proceeds from matured investments	2,635,870	-
Acquisition of fixed assets	(26,696,791)	(8,773,965)
Capitalization of interest, net of interest and investment earnings	<u>(1,744,824)</u>	<u>(666,625)</u>
Net cash flows provided by (used in) investing activities	<u>\$(93,832,217)</u>	<u>\$ (9,440,590)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on bonds payable	\$ (410,000)	\$ (395,000)
Proceeds from issuance of debt, net of bond issuance discounts	119,916,177	-
Payments for bond issuance costs	<u>(3,935,189)</u>	<u>(14,400)</u>
Net cash provided by (used in) financing activities	<u>\$115,570,988</u>	<u>\$ (409,400)</u>
Net increase (decrease) in cash	\$ 41,972,302	\$ (9,455,920)
Cash, beginning of year	<u>4,514,477</u>	<u>13,970,367</u>
Cash, end of year	<u>\$ 46,486,779</u>	<u>\$ 4,514,477</u>

See Notes to Financial Statements.

RAGIN' CAJUN FACILITIES, INC.

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Organization and Significant Accounting Policies

Nature of organization:

Ragin' Cajun Facilities, Inc. (the "Corporation") is a Louisiana nonprofit corporation chartered in January 2001. Its purpose is to promote, assist and benefit the educational, scientific, research and public service mission of University of Louisiana at Lafayette (the "University"). The objectives of the Corporation are to acquire, construct, develop, manage, lease as lessor or lessee, mortgage and/or convey student housing and other facilities on the campus of the University.

The accompanying financial statements of the Corporation have been prepared on the accrual basis of accounting.

Significant accounting policies:

Allowance for doubtful accounts -

The Corporation considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required.

Restricted cash -

The Corporation's trustee maintains money market balances and other short-term investments required for financing the costs of the development, design, construction and equipping of new student housing and child care facilities (collectively, the "Facilities") for students, faculty and staff of the University, funding a debt service reserve fund, paying capitalized interest on the bonds, and paying costs of issuance of the bonds, including the premium for the Bond Insurance Policy. These reserved amounts are reflected as restricted cash on the statement of financial position. The funds are held in trust and can only be disbursed in accordance with the trust agreement by the trustee and intended for debt service payments or construction activities.

Money market funds are not bank deposits or obligations, are not guaranteed by the Bank in trust and are not insured by the FDIC, the Federal Reserve Board, or any other government agency and are collateralized by securities held by the financial institution's trust department, but not in the Corporation's name. These funds are reflected as restricted cash on the statement of financial position.

Restricted investments -

The Corporation's trustee invests idle bond proceeds during the construction phase in other short term investments to maximize interest earnings. At June 30, 2011, the trustee had purchased a number of state and local bonds with short-term maturities.

NOTES TO FINANCIAL STATEMENTS

In accordance with the *Not-for-Profit Entities* Topic of the Financial Accounting Standards Board's ("FASB") Accounting Standards Codification ("ASC"), the Corporation's investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair value in the statement of financial position.

Cash and cash equivalents -

For the purposes of the statement of cash flows, the Corporation considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Property and equipment -

Purchased property and equipment is recorded at cost at the date of acquisition. Depreciation is computed basis over the estimated useful life of the related assets at rates based on the following estimated useful lives:

	<u>Years</u>
Buildings and improvements	30
Appliances, furniture and equipment	10

Interest on debt issued to finance the construction of the facilities is capitalized as a part of the project. Investment earnings on temporary investments earned during the construction phase are netted against capitalized interest. When fixed assets are placed in service, they are transferred to the respective accounts and depreciated. Amortization of capitalized interest is consistent with the depreciation method used for buildings and improvements.

Federal income taxes -

The Corporation qualifies for an exemption from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes is made in the accompanying financial statements.

Use of estimates -

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

Fair values of financial instruments -

The Corporation has adopted the provisions of the Fair Value Measurements and Disclosures Topic of the FASB Accounting Standards Codification (ACS 820) for all financial assets and liabilities and nonfinancial assets and

NOTES TO FINANCIAL STATEMENTS

liabilities that are recognized or disclosed at fair value in the financial statements on a recurring basis (at least annually). ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements.

The Corporation's financial instruments are cash and cash equivalents, investments, accounts payable, contracts payable, interest payable and long-term debt. The recorded values of cash and cash equivalents and accounts payable approximate their fair values based on their short-term nature. The recorded values of investments and long-term debt are estimated based on the quoted market prices of the same or similar investments or issues.

ASC 820 defines fair value as the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability. The fair value should be calculated based on assumptions that market participants would use in pricing the asset or liability, not on assumptions specific to the entity. In addition, the fair value of liabilities should include consideration of non-performance risk including the Corporation's own credit risk.

In addition to defining fair value, ASC 820 expands the disclosure requirements around fair value and establishes a fair value hierarchy for valuation inputs. The hierarchy prioritizes the inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market. Each fair value measurement is reported in one of the three levels which is determined by the lowest level input that is significant to the fair value measurement in its entirety.

These levels are: The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities as of the reporting date. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly, as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.

Level 3 - Valuations based on inputs that are unobservable and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation.

NOTES TO FINANCIAL STATEMENTS

Concentrations of credit risk

The Corporation receives 100% of its facilities lease rental revenue from the University of Louisiana at Lafayette.

The Corporation periodically maintains cash in trust accounts in excess of insured limits. The Corporation has not experienced any losses and does not believe that significant credit risk exists as a result of this practice.

Note 2. Long-Term Debt

Series 2002 revenue bonds with an aggregate principal amount of \$19,065,000 were issued by the Lafayette Public Trust Financing Authority and the proceeds were loaned to the Corporation pursuant to a loan agreement dated October 1, 2002. The purchase price of the bonds was \$18,299,854 which represents the original principal amount, less an underwriter's discount of \$152,520, less net original issue discount of \$332,626, and less the bond insurance premium of \$280,000. The purpose of the indebtedness was to construct apartments for students of the University of Louisiana at Lafayette.

During the 2009 fiscal year, Series 2009 revenue bonds with an aggregate principal amount of \$12,500,000 were issued by the Lafayette Public Trust Financing Authority and the proceeds were loaned to the Corporation pursuant to a loan agreement dated April 14, 2009. The purpose of the Series 2009 bonds is to construct a second phase of the Legacy Park Apartment complex. The purchase price of the bonds was \$11,851,595 which represents the original principal amount, less an underwriter's discount of \$105,000, less net original issue discount of \$204,335, and less the bond insurance premium of \$339,070. As part of the loan agreement, \$72,500 was contributed to the project by the University.

During the 2011 fiscal year, the Organization issued Series 2010 bonds for the construction of two new projects. One of these projects is the renovation and expansion of the University of Louisiana at Lafayette's Student Union building. The University contributed \$19,312,000 toward the project along with the issuance of bonds in the amount \$22,200,000 to finance the cost of demolishing certain facilities, renovate and expand the existing UL Student Union, renovate the O.K. Allen Hall to provide for a student health center and construction of a new food services center and other facilities. The proceed from the bonds are \$21,377,384, which is net of the issue discount on the bonds of \$374,142, the underwriters discount of \$157,620 and the bond insurance premium of 290,854. Bond issuance costs of \$233,570 were paid from the bond proceeds.

The second project involves the demolition of existing residence halls and the construction of two new large residence halls, the renovation of four existing halls and construction of a six level parking garage. In connection with this project, the Organization issued bonds in the amount of \$100,050,000, which are also Series 2010. Proceeds from the sale of bonds of

NOTES TO FINANCIAL STATEMENTS

\$95,374,130, is net of an issue discount of \$1,959,680, an underwriter discount of 725,363 and a bond insurance premium of \$1,990,827. Bond issuance costs of \$536,955 were paid from bond proceeds.

Aggregate maturities required on long-term debt, including interest of \$25,418,206, are as follows at June 30:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 835,000	\$ 7,636,616	\$ 8,471,616
2013	945,000	7,609,579	8,554,579
2014	2,250,000	7,567,026	9,817,026
2015	2,595,000	7,489,361	10,084,361
2016	2,900,000	7,392,286	10,292,286
2017-2021	16,975,000	35,083,949	52,058,949
2022-2026	21,525,000	30,559,709	52,084,709
2027-2031	27,700,000	24,392,056	52,092,056
2032-2036	32,075,000	16,315,900	48,390,900
2037-2041	37,090,000	6,936,225	44,026,225
2042	6,660,000	366,300	7,026,300
	<u>\$151,550,000</u>	<u>\$151,349,007</u>	<u>\$302,899,007</u>

Interest paid and accrued of \$3,385,133 and \$699,581 on the bonds is capitalized as construction in progress at June 30, 2011 and 2010, respectively. Capitalized interest is reduced by interest and investment earnings on undisbursed bond proceeds in the amount of \$170,488 and \$1,453 at June 30, 2011 and 2010, respectively. Amortization of bond costs and discounts related to the bonds, in the amount of \$126,239 and \$25,994, are also included as components of capitalized interest at June 30, 2011 and 2010, respectively.

Cash payments for interest expensed during the years ended June 30, 2011 and 2010 were \$1,355,300 and \$818,883, respectively. The 2011 and 2010 fiscal year reflect cash payments for interest of \$2,026,964 and \$668,049, respectively, which is capitalized as part of construction in progress, in the statement of cash flows.

At June 30, 2010, the second phase of Legacy Park Apartments was substantially complete and occupancy commenced with the beginning of the 2011 fiscal year. The building was transferred to the fixed asset accounts at that time with depreciation commencing concurrent with occupancy.

Note 3. Facilities Lease Agreement

The Corporation entered into agreements to lease the Facilities to the Board of Supervisors of the Louisiana System (the "Board"). The rental payments under this lease are to be paid semiannually (March 15 and September 15) and include a base rental equal to the sum of the principal of premium, if any, and interest due and payable on the bonds on the following April 1 or October

NOTES TO FINANCIAL STATEMENTS

1. The future minimum rental payments to be received as base rental payments are the amounts as reflected in Note 2 above. In addition to the base rental, the Board will pay additional rental of any and all expenses, of every nature, character, and kind whatsoever, incurred by the Corporation, on behalf of the Board, and/or by the Board of Ragin' Cajun Facilities in the management, operation, ownership, and/or maintenance of the Facilities.

During the June 30, 2010 fiscal year, surplus funds accumulated in the Series 2002 bond reserve account in the amount of \$187,729 was used to pay debt service that would otherwise have been funded through the facilities lease. This had the result of reducing rent revenues by that amount in the 2010 fiscal year and is an acceptable of surplus bond funds.

Note 4. Ground Lease Agreement

The Corporation entered into an agreement effective October 29, 2002, and subsequently amended, to lease the land on which the Facilities are constructed from the Board. The lease term expires on October 1, 2039. The rent shall be due and paid annually in advance in the sum of \$1 per year.

Note 5. Non-Cash Transactions

Amortization of the original issue discount and the bond issuance costs for the fiscal year ended June 30, 2011 was \$19,590 and \$41,681, respectively, and \$16,953 and \$23,584, respectively, for the June 30, 2010 fiscal year. Amortization of the bond cost and discount are included in interest expense.

Capitalized interest costs of \$1,531,939 and \$173,700 were accrued at June 30, 2011 and 2010, respectively, and are not reflected in the respective statements of cash flows until such time that the interest payments are made. Likewise, amortization of bond discount and costs of \$170,488 and \$25,994, included in capitalized interest at June 30, 2011 and 2010, respectively, are excluded from the statement of cash flows.

For the year ended June 30, 2011, bond discounts in the amount \$2,333,823, which were netted against bond proceeds at the time of issuance, are not reflected in the statement of cash flows.

Note 6. Disclosure About Fair Value of Financial Instruments

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

Restricted Cash:

The carrying amount approximates fair value because of the short maturity of those instruments.

NOTES TO FINANCIAL STATEMENTS

Rent and Contributions Receivable:

Rent and contributions receivable approximates fair value because of the short term nature or the receivable.

Investments:

Investments are carried at estimated fair market value within the financial statements.

Bonds payable:

Bonds are valued based on the estimated cash outflows expected discounted using market yields on tax exempt bonds with similar maturities.

The following presents the carrying value and estimated fair values of each class of financial instruments as of June 30, 2011.

	In Thousands	
	Carrying Amount	Fair Value
ASSETS		
Restricted cash	\$ 46,487	\$ 46,487
Rent and contributions receivable	\$ 832	\$ 832
Investments	\$ 65,039	\$ 65,039
LIABILITIES		
Bonds payable	\$ 148,019	\$ 152,657

In accordance with FASB ASC 820-10-50-1, the Corporation groups assets and financial liabilities measured at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

Level 1 - Valuations for assets and liabilities traded in active exchange markets, such as the New York Stock Exchange. Level 1 also includes securities that are traded by dealers or brokers in active markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 - Valuations for assets and liabilities traded in less active dealer or broker markets. For example, municipal securities valuations are based on markets that are currently offering similar financial products. Valuations are obtained from third party pricing services for identical or comparable assets or liabilities.

Level 3 - Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer or broker traded transactions. Level 3 valuations incorporate certain

NOTES TO FINANCIAL STATEMENTS

assumptions and projections in determining the fair value assigned to such assets or liabilities.

Below is a table that presents information regarding investments measured at fair value on a recurring basis:

	<u>Fair Value</u>	<u>Fair value Measures at Reporting Date Significant Other Observable Inputs Level 2</u>
June 30, 2011:		
State and municipal bonds	<u>\$ 65,039,037</u>	<u>\$ 65,039,037</u>

Note 7. Subsequent Events

Subsequent events occurring after June 30, 2011 were evaluated through September 30, 2011, the date the financial statements were available to be issued.



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

To the Board of Directors
Ragin' Cajun Facilities, Inc.
Lafayette, Louisiana

We have audited the financial statements of Ragin' Cajun Facilities, Inc. (a nonprofit organization) as of and for the years ended June 30, 2011 and 2010, and have issued our report thereon dated September 30, 2011. We conducted our audits 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 Ragin' Cajun Facilities, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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

Members of American Institute of
Certified Public Accountants
Society of Louisiana Certified
Public Accountants

* A Professional Accounting Corporation

Compliance and Other Matters

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

This report is intended solely for the information of management, others within the Organization, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Branssard, Poche, Lenoir & Broussard, LLP

Lafayette, Louisiana
September 30, 2011

RAGIN' CAJUN FACILITIES, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2011

We have audited the financial statements of Ragin' Cajun Facilities, Inc. as of and for the year ended June 30, 2011, and have issued our report thereon dated September 30, 2011. 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. Our audit of the financial statements as of June 30, 2010 resulted in an unqualified opinion.

Section I - Summary of Auditors' Reports

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

Internal Control

Material Weaknesses ___ Yes X No
Significant Deficiencies ___ Yes X None reported

Compliance

Compliance Material to Financial Statements ___ Yes X No

Section II - Financial Statement Findings

There were no current year findings reported.

RAGIN' CAJUN FACILITIES, INC.

SCHEDULE OF PRIOR YEAR FINDINGS

Year Ended June 30, 2011

Section I. Internal Control and Compliance Material to the Financial Statements

Not applicable.

Section II. Internal Control and Compliance Material to Federal Awards

Not applicable.

Section III. Management Letter

The prior year's report did not include a management letter.