

Statement E

**CATAHOULA PARISH SHERIFF
HARRISONBURG, LOUISIANA**
Statement of Revenues, Expenditures &
Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2023

	GOVERNMENTAL ACTIVITIES
REVENUES	
Fees & Charges	\$ 793,345
Taxes:	
Ad Valorem Tax	1,516,505
Sales Tax	1,196,790
Fines	90,353
Intergovernmental Revenue:	
Public Safety	251,112
Correctional Center	8,173,737
Grants	375,573
Miscellaneous	55,404
Telephone & Commissary - CCC	935,966
Loan Proceeds - CPSO	1,100,000
TOTAL REVENUES	14,488,785
EXPENDITURES	
Public Safety:	
Administration	3,729,450
Prison/Prisoner Expense	183,941
Repairs & Maintenance	132,451
Capital Outlay	1,444,996
Debt Services	128,288
Correctional Facility:	
Administration	7,822,432
Prison/Prisoner Expense	325,436
Repairs & Maintenance	200,035
Capital Outlay	184,075
Debt Service	1,057,683
TOTAL EXPENDITURES	15,208,787
NET CHANGE IN FUND BALANCE	(720,002)
FUND BALANCES-BEGINNING	3,552,616
FUND BALANCES-ENDING	\$ 2,832,614

9/20/2023

The accompanying notes are an integral part of this statement.

Schedule 1

**CATAHOULA PARISH SHERIFF
HARRISONBURG, LOUISIANA**
Governmental Funds
Schedule of Revenues, Expenditures, & Changes in Fund Balance
Budget & Actual
For the Year Ended June 30, 2023

	BUDGETED AMOUNTS		ACTUAL AMOUNTS		VARIANCES FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL	BUDGETARY	BASIS	
REVENUES					
Fees & Charges	\$ 80,000	\$ 1,838,262	\$ 793,345	\$ (1,044,917)	
Taxes	2,525,000	2,710,000	2,713,295	3,295	
Fines	75,000	96,000	90,353	(5,647)	
Intergovernmental	3,500,000	9,781,517	8,424,849	(1,356,668)	
Prison Reimbursement	-0-	-0-	-0-	-0-	
Loan Proceeds	-0-	-0-	1,100,000	1,100,000	
Grants	-0-	-0-	375,573	375,573	
Telephone & Commissary – CCC	-0-	-0-	935,966	935,966	
Miscellaneous	350,000	160,000	55,404	(104,596)	
TOTAL REVENUES	6,530,000	14,585,779	14,488,785	(96,994)	
EXPENDITURES					
Administration	3,110,000	7,882,185	11,775,767	(3,893,582)	
Prison/Prisoner Expense	2,600,000	1,400,000	509,377	890,623	
Operating Services	700,000	2,352,842	-0-	2,352,842	
Repairs & Maintenance	-0-	-0-	332,486	(332,486)	
Debt Service	-0-	-0-	1,025,992	(1,025,992)	
Capital Outlay	25,000	1,502,514	1,565,165	(62,651)	
Other Expenditures	25,000	51,445	-0-	51,445	
TOTAL EXPENDITURES	6,460,000	13,188,986	15,208,787	(2,019,801)	
NET CHANGE IN FUND BALANCE	\$ 70,000	\$ 1,396,793	(720,002)	\$ (2,116,795)	
FUND BALANCE AT BEGINNING OF YEAR				3,552,616	
FUND BALANCE AT END OF YEAR				\$ 2,832,614	

See independent auditor's report.
The accompanying notes are an integral part of this statement.

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INDEPENDENT AUDITOR'S 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

Honorable Toney J. Edwards, Sheriff
Catahoula Parish Sheriff
Harrisonburg, Louisiana

We have audited, in accordance with the 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, the financial statements of the governmental activities and aggregate remaining fund information of the Catahoula Parish Sheriff, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Catahoula Parish Sheriff's basic financial statements, and have issued our report thereon dated October 13, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Catahoula Parish Sheriff's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Catahoula Parish Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of the Catahoula Parish Sheriff's internal control.

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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Catahoula Parish Sheriff's financial statements are free from material misstatement, we performed tests 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* (2023-1 Purchase of Real Estate without appraisal, 2023-2 Bond Commission Approval for debt, and 2023-3 Budget Variance).

The Catahoula Parish Sheriff's Response to Findings

The Catahoula Parish Sheriff's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The Catahoula Parish Sheriff's response was not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the audit committee, management, federal awarding agencies and Legislative Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a public document, and its distribution is not limited.

The Vercher Group

October 13, 2023

Jena, Louisiana

**CATAHOULA PARISH SHERIFF
HARRISONBURG, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST
FOR THE YEAR ENDED JUNE 30, 2023**

We have audited the basic financial statements of the Catahoula Parish Sheriff as of and for the year ended June 30, 2023, and have issued our report thereon dated October 13, 2023. We conducted our audit in accordance with generally accepted auditing standards 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.

Section I Summary of Auditor's Results

Our audit of the financial statements as of June 30, 2023, resulted in an unmodified opinion.

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

Internal Control

Material Weaknesses Yes

Significant Deficiencies Yes

Compliance

Compliance Material to Financial Statements Yes

b. Federal Awards (Not applicable)

Internal Control

Material Weaknesses Yes Other Conditions Yes

Type of Opinion On Compliance Unmodified Qualified
For Major Programs Disclaimer Adverse

Are the finding required to be reported in accordance with Uniform Guidance?

Yes No

c. Identification Of Major Programs:

CFDA Number (s)	Name Of Federal Program (or Cluster)
------------------------	---

Dollar threshold used to distinguish between Type A and Type B Programs: \$ _____

Is the auditee a 'low-risk' auditee, as defined by OMB Uniform Guidance? Yes No

**CATAHOULA PARISH SHERIFF
HARRISONBURG, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST-CONTINUED
FOR THE YEAR ENDED JUNE 30, 2023**

Section II – Financial Statement Findings

2023-1 Purchase of Real Estate without Appraisal (Compliance)

Condition: The department purchased real estate (immovable property) in the amount of \$1,100,000 without the benefit of a qualified appraisal.

Criteria: Purchase of immovable property by political subdivisions; an appraisal is required. Notwithstanding any other provision of law to the contrary, no political subdivision shall purchase immovable property with a value greater than three thousand dollars unless prior to such purchase the property has been appraised by a qualified appraiser. No such appraisal shall include the value of improvements proposed to be made to the property after purchase by the political subdivision.

Cause of Condition: Purchase of real estate without prior appraisal by a qualified appraiser.

Potential Effect of Condition: Compliance Violation.

Recommendation: Future purchases of real estate should be appraised prior to the purchase.

Client Response and Corrective Action: Future purchases of real estate will be appraised prior to the purchase.

Contact Person: Toney J. Edwards, Sheriff

Anticipated Completion Date: June 30, 2024

2023-2 Bond Commission Approval for Debt (Compliance)

Condition: The Sheriff's office entered into a lease/purchase agreement to purchase immovable property in the amount of \$1,100,000 without State Bond Commission approval.

Criteria: A Louisiana governmental entity may not incur any indebtedness in excess of 90 days without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, and LSA-RS 47.1803-4.

Cause of Condition: Entering into long-term debt without State Bond Commission approval.

Potential Effect of Condition: Compliance violation of Article VII, Section 8 of the 1974 Louisiana Constitution, and LSA-RS 47.1803-4.

Recommendation: The department should discontinue entering into debt without State Bond Commission approval.

CATAHOULA PARISH SHERIFF
HARRISONBURG, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COST-CONTINUED
FOR THE YEAR ENDED JUNE 30, 2023

Section II – Financial Statement Findings - Continued

Client Response and Corrective Action: The lease/purchase agreement contained a "non-appropriation clause" and it was the understanding of the office and legal counsel that State Bond Commission approval was not required.

Contact Person: Toney J. Edwards, Sheriff

Anticipated Completion Date: June 30, 2024

2023-3 Budget Variance (Compliance)

Condition: The Catahoula Parish Sheriff had an unfavorable expenditure variance of \$2,019,801 or 15.3%.

Criteria: The Budget Act requires that budgets be amended when the variance exceeds 5%.

Cause of Condition: The Sheriff's Office did not correctly budget the Correctional Center's expenses.

Potential Effect of Condition: The Sheriff's Office having an unfavorable expenditure variance and violating the Budget Act.

Recommendation: The Sheriff's Office should amend the budget when expenditures are more than 5% of budgeted amounts.

Client Response and Corrective Action: The management of the Sheriff's Office will begin amending its budget when expenditures are more than 5% of budgeted amounts.

*YEP said that
last 2 years,
still ain't doing
it*

Contact Person: Toney J. Edwards, Sheriff

Anticipated Completion Date: June 30, 2024

Section III Federal Awards Findings and Questioned Costs

Not applicable

**CATAHOULA PARISH SHERIFF
HARRISONBURG, LOUISIANA**

**MANAGEMENT'S CORRECTIVE ACTION
FOR CURRENT YEAR AUDIT FINDINGS**

FINDINGS:

2023-1 Purchase of Real Estate without Appraisal

Finding: The department purchased real estate (immovable property) in the amount of \$1,100,000 without the benefit of a qualified appraisal. Purchase of immovable property by political subdivisions: an appraisal is required. Notwithstanding any other provision of law to the contrary, no political subdivision shall purchase immovable property with a value greater than three thousand dollars unless prior to such purchase the property has been appraised by a qualified appraiser. No such appraisal shall include the value of improvements proposed to be made to the property after purchase by the political subdivision.

Corrective Action: Future purchases of real estate should be appraised prior to the purchase.

Contact Person: Toney J. Edwards, Sheriff

Anticipated Completion Date: June 30, 2024

2023-2 Bond Commission Approval for Debt

Finding: The Sheriff's office entered into a lease/purchase agreement to purchase immovable property in the amount of \$1,100,000 without State Bond Commission approval. A Louisiana governmental entity may not incur any indebtedness in excess of 90 days without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, and LSA-RS 47:1803-4.

Corrective Action: The department should discontinue entering into debt without State Bond Commission approval..

Contact Person: Toney J. Edwards, Sheriff

Anticipated Completion Date: June 30, 2024

2023-3 Budget Variance

Finding: The Catahoula Parish Sheriff had an unfavorable expenditure variance of \$2,019,801 or 15.3% and a favorable revenue variance. The Budget Act requires that budgets be amended when the variance exceeds 5%.

**CATAHOULA PARISH SHERIFF
HARRISONBURG, LOUISIANA**

**MANAGEMENT'S CORRECTIVE ACTION
FOR CURRENT YEAR AUDIT FINDINGS**

Corrective Action: The management of the Sheriff's Office will begin amending its budget when expenditures are more than 5% of budgeted amounts.

Contact Person: Toney J. Edwards, Sheriff

Anticipated Completion Date: June 30, 2024

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MANAGEMENT LETTER COMMENTS

During the course of our audit, we observed conditions and circumstances that may be improved. Below are findings noted for improvement, our recommendation for improvement and the Sheriff's Office's plan for corrective action.

CURRENT YEAR MANAGEMENT LETTER COMMENTS

No items identified.

**CATAHOULA PARISH SHERIFF
HARRISONBURG, LOUISIANA**

MANAGEMENT'S SUMMARY OF PRIOR YEAR FINDINGS

Legislative Auditor
State of Louisiana
Baton Rouge, Louisiana 70804-9397

The management of the Catahoula Parish Sheriff, Harrisonburg, Louisiana has provided the following action summaries relating to audit findings brought to their attention as a result of their financial audit for the year ended June 30, 2022.

PRIOR YEAR FINDINGS:

2022-1 Reconciling Fiduciary Funds Cash Accounts with Books (Resolved)

Finding: The suits and sales fiduciary fund was not reconciled to a bank reconciliation at year end. Good internal controls require that cash accounts be reconciled to the books each month and any discrepancies identified are corrected.

Corrective Action: Fiduciary fund books will be reconciled monthly with the cash account bank reconciliation.

Contact Person: Toney J. Edwards, Sheriff

Anticipated Completion Date: June 30, 2023

2022-2 Computer Backup System (Resolved)

Finding: The office currently backs up the computer system on "thumb drives" occasionally. Good internal controls require that the entity's computer system be backed up on a regular basis in a safe and secure location.

Corrective Action: The office will seek assistance from its I.T. company.

Contact Person: Toney J. Edwards, Sheriff

Anticipated Completion Date: June 30, 2023

2022-3 Budget Variance (Unresolved)

Finding: The Catahoula Parish Sheriff had an unfavorable expenditure variance of \$4,654.176 or 72.85% and a favorable revenue variance. The Budget Act requires that budgets be amended when the variance exceeds 5%.

**CATAHOULA PARISH SHERIFF
HARRISONBURG, LOUISIANA**

**MANAGEMENT'S CORRECTIVE ACTION
FOR PRIOR YEAR AUDIT FINDINGS-CONTINUED**

Corrective Action: The management of the Sheriff's Office will begin amending its budget when expenditures are more than 5% of budgeted amounts.

Contact Person: Toney J. Edwards, Sheriff

Anticipated Completion Date: June 30, 2023

2022-4 Annual Filing of Financial Statements (Resolved)

Finding: The Department did not timely file their financial statements with the legislative auditor on a timely basis. LSA-RS 24:514, LAS-RS 33:463, and/or LSA-RS 39:92, as applicable, require that governmental units file their financial statements annually with the Legislative Auditor's Office within six months of the entity's year end closing.

Corrective Action: The management of the Sheriff's Office will have their audit completed in time to file with the Legislative Auditor's Office within six months of the Department's year end closing.

Contact Person: Toney J. Edwards, Sheriff

Anticipated Completion Date: June 30, 2023

2022-5 Internal Controls Over Concession Inmate Funds (Resolved)

Finding: It was noted during the testing of the inmate concession fund that the reconciled cash did not agree with the listing of items (inmate accounts etc.) that make up the account. Proper internal controls recommend that the balance in the concession fund bank account agree with the listing of items that make up the balance and this balance should be reconciled on a monthly basis.

Corrective Action: The balance in the concession fund bank account will be reconciled to the listing of items that make up the balance at least once a month.

Contact Person: Toney J. Edwards, Sheriff

Anticipated Completion Date: June 30, 2023

2022-6 Accounting for the Concession Fund (Resolved)

Finding: The Concession Fund (a fiduciary fund) was accounted for in the general fund. Fiduciary funds are custodial in nature (assets equal liabilities) and do not involve measurements of results of operations. These funds should be accounted for separately of the general fund.

Corrective Action: The Concession Fund will be accounted for separately as a fiduciary fund.

**CATAHOULA PARISH SHERIFF
HARRISONBURG, LOUISIANA**

MANAGEMENT'S SUMMARY OF PRIOR YEAR FINDINGS

Contact Person: Toney J. Edwards, Sheriff

Anticipated Completion Date: June 30, 2023

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Honorable Toney J. Edwards, Sheriff
Catahoula Parish Sheriff
Harrisonburg, Louisiana

We have performed the procedures enumerated below, which were agreed to by Catahoula Parish Sheriff and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the period June 30, 2023. The Entity's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted 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.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) *Budgeting*, including preparing, adopting, monitoring, and amending the budget.
 - b) *Purchasing*, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) *Disbursements*, including processing, reviewing, and approving.
 - d) *Receipts/Collections*, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

There were no exceptions performing these procedures.

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee meets with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

There were no exceptions performing these procedures.

Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Exceptions:

- A) Bank reconciliations are not prepared within 2 months of the related statement closing date.**
- B) Bank reconciliations do not include evidence that a member of management who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation.**
- C) Some of the bank reconciliations have outstanding checks more than 12 months.**

Management's response: Management will implement the procedures listed above.

Collections (excluding electronic funds transfers)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Observations: The office has one deposit site, the courthouse.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees responsible for cash collections do not share cash drawers/registers.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

Exception: Employees that are responsible for cash collections share cash drawers/registers.

Management's Response: The entity does not have enough employees to implement this procedure.

- 5. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

Exception: Employees that have access to cash are not covered by a bond or insurance policy for theft.

Management's response: Management will consider having employees who have access to cash covered by a bond or insurance policy for theft.

- 6. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and.
 - a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
 - e) Trace the actual deposit per the bank statement to the general ledger.

There were no exceptions performing these procedures.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Observations: The entity has one location, the courthouse.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

There were no exceptions performing these procedures.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:

- a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

There were no exceptions performing these procedures.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each

card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.] *Not payed*
- b) Observe that finance charges and late fees were not assessed on the selected statements. *Not payed*

Exception: There were late fees and finance charges assessed on the credit cards. *Not payed*

Management Response: Management will ensure that all bills are paid on time so that late fees are no longer assessed. *Not payed*

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny. *Why?*

There were no exceptions performing these procedures.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

- a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
- b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
- d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

There were no exceptions performing these procedures.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

There were no exceptions performing these procedures.

Payroll and Personnel

16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

There were no exceptions performing these procedures.

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.
- c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
- d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

There were no exceptions performing these procedures.

18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

There were no exceptions performing these procedures.

19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

There were no exceptions performing these procedures.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above obtain ethics documentation from management, and:

- a) Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
- b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
- c) Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Exception: None of the employees selected completed the one hour of ethics training.

Management's response: Management will require all employees to receive the required training.

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Debt Service

21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

There were no exceptions performing these procedures.

Fraud Notice

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

There were no exceptions performing these procedures.

24. Observe the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

There were no exceptions performing these procedures.

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.
- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- d) Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in payroll. Observe evidence that the selected terminated employees have been removed or disabled from the network.

We performed the procedure and discussed the results with management.

Prevention of Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

27. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

28. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

- Number and percentage of public servants in the agency who have completed the training requirements;
- Number of sexual harassment complaints received by the agency;
- Number of complaints which resulted in a finding that sexual harassment occurred;
- Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action, and
- Amount of time it took to resolve each complaint.

Exception: None of the employees selected completed the one hour of sexual harassment training and the required report was not prepared.

Management's response: Management will require all employees to receive the required training and the required report will be prepared. There were no complaints filed with management during the year.

Lois / he settled complaint with NDA
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 those C/C areas identified in the SAUPs. 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.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24.513, this report is distributed by the LLA as a public document.

The Vercher Group

Jena, Louisiana

October 13, 2023