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**Louisiana State Board of  
Social Work Examiners**

*Agreed-Upon Procedures*

**June 30, 2022**

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**Louisiana State Board of Social Work Examiners**  
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## **Independent Accountant's Report On Applying Agreed-Upon Procedures**

To Management of  
Louisiana State Board of Social Work Examiners  
Baton Rouge, Louisiana

We have performed the procedures enumerated below, which were agreed to by management of the Louisiana State Board of Social Work Examiners (the "Board"), a component unit of the State of Louisiana, and the Legislative Auditor, State of Louisiana, solely to assist the users in assessing certain controls and in evaluating management's assertions about the Board's compliance with certain laws and regulations during the fiscal year ended June 30, 2022.

Management of the Louisiana State Board of Social Work Examiners is responsible for its financial records, establishing internal controls over financial reporting, and compliance with applicable laws and regulations. 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 those parties specified in the 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 exceptions are as follows:

### **Written Policies and Procedures**

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories, as applicable:
  - 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 (e.g. periodic confirmation with outside parties, reconciliation of receipt number sequences, reasonableness of cash collections based on licenses issued).

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- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
  - 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, (4) time-frame in which requests must be submitted and (5) required approvers.
  - i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees annually attest through signature verification that they have read 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) **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.

### **Results**

We obtained the Board's policies and procedures from management. The Board's written policies and procedures do not include a subcategory for disaster recovery/business continuity.

## **Annual Fiscal Report (AFR)**

2. Obtain the financial statements from the AFR submitted to the Division of Administration's (DOA) Office of Statewide Reporting and Accounting Policy for the current and prior periods. Perform analytical procedures comparing current and prior period amounts, by line item. Report any variances of 10% or greater for line items that are 10% or more of the respective total assets/deferred outflows of resources, liabilities/deferred inflows of resources, net position, revenues, or expenses, and management's explanation of the variance.

### **Results**

Variances of 10% or greater were noted in the following AFR line items: The Board incurred a 100% increase in leased building & office space due to the implementation of GASB 87 requiring balance sheet recognition of leases; 34% decrease in the net pension liability due to a decrease in the LASERS actuarial report; 245% increase in unrestricted net position due to an increase in current year net income; 20% increase in licenses due to the Board not recording deferred revenue at year end in addition to an increase in licenses and renewals; 21% decrease in administrative expenses due to a decrease in the pension expense resulting from changes in deferred inflows and outflows related to pensions; and a 100% increase in non-operating expenses due to the implementation of GASB 87 requiring the recordation of interest on the lease liability. Explanations have been received and reported within management's response and corrective action plan.

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## **Board Meetings/Minutes**

3. Obtain and inspect the board 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 met 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) Observe that the minutes referenced or included monthly budget-to-actual comparisons.
  - c) Access the entity's online information included in the DOA's boards and commissions database (<https://www.cfprd.doa.louisiana.gov/boardsandcommissions/home.cfm>) and observe that the entity submitted board meeting minutes for all meetings during the fiscal period.

### ***Results***

We obtained the Board's minutes of meetings for the fiscal year as well as the Board's enabling legislation. The board members met at least semiannually in accordance with their enabling legislation. The Board meeting minutes were uploaded to the DOA's boards and commissions database. However, the Board's meeting minutes do not reference or include budget-to-actual comparisons.

## **Bank Reconciliations**

4. Obtain a listing of bank accounts for the fiscal period from management and management's representation that the listing is complete. For each of the bank accounts in the listing provided by management, obtain bank statements and reconciliations for all months in the fiscal period 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, 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 that it has researched reconciling items that have been outstanding for more than 6 months from the statement closing date; and
  - d) The reconciled balance for the final month of the fiscal period agrees to the general ledger.

### ***Results***

We obtained a listing of bank accounts and obtained management's representations that the listing is complete. We examined bank statements and reconciliations by month for the period of July 2021 – June 2022. There were no reconciling items that have been outstanding for more than 6 months at year end. A member of management or a board member reviewed each bank reconciliation during the fiscal year. The reconciled balances at June 30, 2022 agree to the general ledger. Eight of the twelve bank reconciliations were not prepared within 2 months of the statement closing date.

## **Receipts/Collections**

5. Obtain and inspect written policies and procedures relating to employees job duties (if no written policies or procedures, inquire of employees about their job duties), and observe that job duties for collections are properly segregated such that:

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- a) 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 or license applications received) to the deposit.
  - b) 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.
  - c) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source are not responsible for collecting cash, unless another employee verifies the reconciliation.

**Results**

We reviewed the Board's policy relating to receipts/collections. The majority of the Board's collections are submitted online. Any payments received by mail or on-site are locked in the Administrator's desk until deposited. To mitigate the risks associated with the lack of segregation of duties, a contracted CPA completes the bank reconciliations, and the Board reviews bank reconciliations and other financial reports.

6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

**Results**

The Board does accept cash collections for license applications, renewals and other payments. Employees who handle cash are covered by an insurance policy for theft/crime per the Office of Risk Management.

7. Randomly select 5 deposit dates for each of the bank accounts (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 5 deposits for each bank account and:
  - a) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
  - b) Trace the deposit slip total to the actual deposit per the bank statement.
  - c) Observe that 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).
  - d) Trace the actual deposit per the bank statement to the general ledger.

**Results**

The majority of the Board's deposits for license applications and renewals are completed online. The revenue is directly deposited into the Board's cash account daily. The five receipts selected for testing included supporting documentation adequate based upon the size of the entity.

8. Obtain and inspect written policies and procedures (if no written policies and procedures, inquire to management) and observe that there is a process performed to determine completeness of all collections, including electronic transfers, for each revenue source (e.g. periodic confirmation with

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outside parties, reconciliation of receipt number sequences, reasonableness of cash collections based on licenses issued) by a person who is not responsible for collections.

**Results**

The Board has a process defined to determine the completeness of collections. The executive director is responsible for reconciling the revenue log, collections, and making deposits.

9. For licensing boards, obtain a list of initial and renewal licenses granted during the period from management and management's representation that the listing is complete. Randomly select 10 individual applicants from the listing and obtain the supporting documentation (e.g. application, copy of check) from management and:
  - a) Observe that the fee paid for license was the appropriate fee based on the applicable fee schedule established by the Board or statute.
  - b) If a penalty was assessed (e.g. late fee), observe that the penalty was assessed and collected in accordance with the Board's policies.

**Results**

The application fees selected for testing are in agreement with the fee schedule established by the Board. No late fees or penalties noted within the sample selected. No exceptions noted.

10. For licensing boards, obtain and inspect the board's written policies and procedures for granting licenses (if no written policies and procedures, inquire to management) and observe that there is a process performed to ensure licensees meet the licensure requirements established by the board or statute, as applicable. For the 10 individual applicants selected in the previous step that were granted initial or renewal licenses during the period, request the supporting documentation (e.g. licensee file) from management and:
  - a) Observe that the board followed the established process to issue or renew the license.
  - b) Observe the documentation contains evidence that the licensee meets or continues to meet (if renewal) the licensure requirements established by the board or statute, as applicable.
  - c) Observe that the license was granted or approved by the board or the designated board member(s), as applicable.

**Results**

The Board followed the established processes to issue and renew licenses. No exceptions noted.

11. For levee districts, obtain independent confirmation of the tax amounts received from the appropriate parish Sheriff's offices. Observe that the confirmed amount agrees to the amount deposited by levee district.

**Results**

Not applicable.

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

12. 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

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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.

***Results***

No exceptions noted.

13. Obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements which are addressed in separate sections below) and obtain management's representation that the population is complete. Randomly select 5 disbursements, obtain supporting documentation (e.g. purchase requisition, invoices, receipts, receiving slips) for each transaction and:
  - a) Observe that the disbursement matched the related original invoice/billing statement.
  - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #11, as applicable.

***Results***

The selected expenses were supported by an original itemized receipt/invoice. However, four of the five selected expenses and related documentation did not include evidence of approval.

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

14. 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. Randomly select 2 monthly statements or combined statements for each card (for a debit card, randomly select 2 monthly bank statements), obtain supporting documentation, and:
  - a) Observe that 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) was reviewed and approved, in writing, by someone other than the authorized card holder.
  - b) Observe that finance charges and late fees were not assessed on the selected statements.

***Results***

The October 2021 credit card statement was not reviewed and approved in writing by someone other than the authorized card holder. There were no finance charges or late fees assessed on the selected statements.

15. Obtain supporting documentation for all transactions included on the monthly statements or combined statements selected in #13 above. For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the



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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.

**Results**

The selected credit card statements included itemized receipts for each transaction.

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

16. Obtain from management a listing of all travel and travel-related expense reimbursements paid to employees and board members 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, agree the reimbursement rate to those rates established either by the State of Louisiana in PPM49 (<https://www.doa.la.gov/pages/osp/travel/TravelPolicy.aspx>) or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).
  - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
  - c) Observe that 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 that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

**Results**

We reviewed support for the travel reimbursements without exception.

**Contracts**

17. 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 that the contract was bid in accordance with the Louisiana Procurement Code or the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
  - b) Observe that the contract was approved by the governing body/board, if required by policy.
  - c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.
  - 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 that the invoice and related payment agreed to the terms and conditions of the contract.

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***Results***

Contracts selected for testing were approved by the governing board. There were no contract amendments for the contracts selected for testing. The selected payments were supported by original itemized invoice and agreed to the terms of the related contract. No exceptions noted.

**Payroll and Personnel**

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

***Results***

The selected employees' payments were in accordance with the terms and conditions of their respective pay rate structure. No exceptions noted.

19. Randomly select 2 pay periods during the fiscal period. For the 5 employees/officials selected under #17 above, obtain attendance records and leave documentation for the pay period, and:
- a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
  - b) Observe that supervisors approved the attendance and leave of the selected employees.
  - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

***Results***

We selected 2 pay periods during the fiscal year and observed that all daily attendance was documented and attendance records were approved. We observed that leave accrued or taken during the pay periods were reflected in the cumulative leave records.

20. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select 2 employees, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employees' cumulate leave records, and agree the pay rates to the employees' authorized pay rates in the employees' personnel files.

***Results***

One employee terminated during the fiscal year. We reviewed support for the termination payment calculations without exception.

21. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

***Results***

No exceptions noted.

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## **Ethics**

22. Using the 5 randomly selected employees from procedure #17 under “Payroll and Personnel” above, obtain ethics documentation from management, and:
  - a) Observe that the documentation demonstrates each employee completed one hour of ethics training during the fiscal period.
  - b) Observe that the documentation demonstrates each employee attested through signature verification that he or she has read the entity’s ethics policy during the fiscal period.

### ***Results***

All employees selected for testing completed the required annual ethics training.

23. Obtain a listing of board members from management. Randomly select 5 board members and observe documentation to demonstrate that required annual ethics training was completed.

### ***Results***

Two board members did not complete the required annual ethics training.

## **Budget**

24. Obtain a copy of the legally adopted budget, including all amendments, and the Board’s minutes. Observe the minutes contain approval of the budget and amendments.
25. 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.
26. Inquire of management whether the entity has updated its budget information in the DOA’s boards and commissions database referred to in #3 above for the current fiscal period (i.e. period covered in these procedures). Access the online database and obtain the budget information for the current fiscal period. Observe that the budget information contained in the database agrees to the budget adopted by the entity’s board.

### ***Results***

The June 30, 2022 budget was approved and adopted by the board members and is properly documented within the minutes of meetings. The budget contained on the DOA’s boards and commissions database did not agree to the budget adopted by the Board. Revenues were over budget by 19% and expenditures were under budget by 24% and the Board did not amend the budget.

## **Debt Service**

27. Obtain a listing of bonds/notes issued during the fiscal period and management’s representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.
28. 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

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balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

***Results***

Not applicable. The Board did not issue or enter into any new debt agreements during the year ended June 30, 2022.

**Sexual Harassment**

29. Obtain and inspect the entity's written sexual harassment policies and procedures and observe that they address all requirements of R.S. 42:342-344, including agency responsibilities and prohibitions; annual employee training; and annual reporting requirements.
30. Obtain a listing of employees/board members employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/board members, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/board member completed at least one hour of sexual harassment training during the calendar year.
31. Observe that 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).
32. 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 that it includes the applicable requirements of R.S. 42.344.

***Results***

We obtained the Board's sexual harassment policy from management. We observed that the sexual harassment policy is posted on the Board's website. We obtained the sexual harassment report for 2021 and confirmed the report was dated on or before February 1. Three of the five individuals selected for testing did not complete the one hour of sexual harassment training during the year.

**Other**

33. 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.
34. Observe that 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. This notice is available for download or print at [www.la.gov/hotline](http://www.la.gov/hotline).

***Results***

Management stated the Board had no misappropriations of public funds or assets. The notice required by R.S. 24:523.1 is posted on the Board's premises. No exceptions noted.

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## Corrective Action

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

### *Results*

Management's responses and corrective action plan follow this report at page 14.

## Exceptions

The exceptions found as a result of applying the agreed-upon procedures are found in the Schedule of Exceptions at page 12.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively on assessing certain controls and evaluating management's assertions about the Board's compliance with certain laws and regulations. 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.

This report is intended solely for the use of management of the Louisiana State Board of Social Work 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 24:513, this report is distributed by the Legislative Auditor as a public document.



Covington, Louisiana  
January 20, 2023

# **Louisiana State Board of Social Work Examiners**

## **Schedule of Exceptions**

### **For the Year Ended June 30, 2022**

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The following is a summary of exceptions noted within the agreed-upon procedures report for the period of July 1, 2021 – June 30, 2022:

#### ***Written Policies and Procedures***

The written policies and procedures do not address disaster recovery/business continuity.

#### ***Annual Fiscal Report***

Variances of 10% or greater were noted in the following AFR line items: The Board incurred a 100% increase in leased building & office space due to the implementation of GASB 87; 34% decrease in the net pension liability due to a decrease in the LASERS actuarial report; 245% increase in unrestricted net position due to an increase in current year net income; 20% increase in license revenue due to the Board not recording deferred revenue at year end in addition to an increase in licenses and renewals; 21% decrease in administrative expenses due to a decrease in the pension expense resulting from changes in deferred inflows and outflows related to pensions; and a 100% increase in non-operating expenses due to the implementation of GASB 87 requiring the recordation of interest on the lease liability. Management's explanation is noted within management's response and corrective action plan.

#### ***Board Meeting/Minutes***

The Board's minutes of meetings do not reference or include monthly budget-to-actual comparisons.

#### ***Bank Reconciliations***

Eight of the twelve bank reconciliations for the Capital One Bank checking account were not prepared within 2 months of the statement closing date. Eight of the twelve bank reconciliations for the Capital One Bank investment account were not prepared within 2 months of the statement closing date.

#### ***Non-Payroll Disbursements***

Four of the five disbursements selected for testing did not include evidence of approval. Consequently, we were unable to determine whether or not at least two employees were involved in the purchase / payment process.

#### ***Credit Cards/Debit Cards/Fuel Cards/P-Cards***

The October 2021 credit card statement was not reviewed and approved, in writing, by someone other than the authorized card holder.

#### ***Ethics***

Two board members did not complete the annual ethics training.

#### ***Budget***

The actual expenditures per budget did not agree to the budgeted expenditures in the DOA's boards and commission's database. Comparison of total revenues and expenditures of the final budget and actual total revenues and expenditures for the June 30, 2022 fiscal year revealed variances greater than 10%.

#### ***Sexual Harassment***

Three of the five individuals selected for testing did not complete the annual sexual harassment training.

# **Louisiana State Board of Social Work Examiners**

## **Summary Schedule of Prior Year Exceptions**

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The following is a summary of exceptions noted within the agreed-upon procedures report for the period of July 1, 2020 – June 30, 2021:

### ***Written Policies and Procedures***

The written policies and procedures do not address disaster recovery/business continuity.

*Update:* This exception has not been addressed and is noted again in the current year.

### ***Annual Fiscal Report***

Variances of 10% or greater were noted in the following AFR line items: The Board incurred a 208% decrease in unrestricted net position and a 133% increase in administrative expenses. Management's explanation is noted within management's response and corrective action plan.

*Update:* Management adequately addressed the prior year variances within the prior year report.

### ***Board Meetings/Minutes***

The Board's minutes of meetings did not reference or include monthly budget-to-actual comparisons.

*Update:* This exception has not been addressed and is noted again in the current year.

### ***Bank Reconciliations***

Two of the twelve bank reconciliations for the Capital One Bank checking account were not prepared within 2 months of the statement closing date.

*Update:* This exception has not been addressed and is noted again in the current year.

### ***Non-Payroll Disbursements***

The five disbursements selected for testing did not include evidence of approval. Consequently, we were unable to determine whether or not at least two employees were involved in the purchase / payment process.

*Update:* This exception has not been addressed and is noted again in the current year.

### ***Ethics***

One employee and one board member did not complete the annual ethics training.

*Update:* This exception has not been addressed and is noted again in the current year.

### ***Budget***

Comparison of total expenditures of the final budget and actual total expenditures for the June 30, 2021 fiscal year revealed a variance greater than 10%.

*Update:* This exception has not been addressed and is noted again in the current year.



# LOUISIANA

## STATE BOARD of SOCIAL WORK EXAMINERS

January 20, 2023

Pinell & Martinez, LLC  
308 S. Tyler Street, Suite 2  
Covington, Louisiana 70433

The Louisiana State Board of Social Work Examiners (the "Board") concurs with the summary of exceptions noted within the agreed-upon procedures for the period of July 1, 2021 - June 30, 2022. An outline of corrective measures, where possible due to the size of the Board's staff, is listed below.

### **Written Policies and Procedures**

The Board's written policies and procedures did not include a subcategory for disaster recovery/business continuity.

Response and Corrective Action: The Board will implement a subcategory for disaster recovery/business continuity into the written policies and procedures.

### **Annual Fiscal Report**

Variances of 10% or greater were noted in the following AFR line items: 100% increase in leased building & office space; 34% decrease in the net pension liability; 245% increase in unrestricted net position; 20% increase in license revenue; 21% decrease in administrative expenses; and a 100% increase in non-operating expenses.

Response and Corrective Action:

100% increase in leased building & office space due to the implementation of GASB 87; 34% decrease in the net pension liability due to a decrease in the LASERS actuarial report; 245% increase in unrestricted net position due to an increase in current year net income; 20% increase in license revenue due to the Board not recording deferred revenue at year end in addition to an increase in licenses and renewals; 21% decrease in administrative expenses due to a decrease in the pension expense resulting from changes in deferred inflows and outflows related to pensions; and a 100% increase in non-operating expenses due to the implementation of GASB 87 requiring the recordation of interest related to the lease liability.

### **Board Meeting/Minutes**

The Board's minutes of meetings do not reference or include monthly budget-to-actual comparisons.

Response and Corrective Action: going forward, the Board's meetings will begin to include monthly budget-to-actual comparisons and document the comparison and related discussions within the minutes of meetings.



**Bank Reconciliations**

Eight of the twelve bank reconciliations for the Capital One Bank checking account were not prepared within 2 months of the statement closing date.

Eight of the twelve bank reconciliations for the Capital One Bank investment account were not prepared within 2 months of the statement closing date.

Response and Corrective Action: going forward, management will ensure that all bank reconciliations are prepared within 2 months of the related statement closing date.

**Non-Payroll Disbursements**

Four of the five disbursements selected for testing did not include evidence of approval. Consequently, we were unable to determine whether or not at least two employees were involved in the purchase / payment process.

Response and Corrective Action: going forward, the Board will ensure that a board member or member of management reviews and approves each invoice (initial/date) before processing the payment.

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

One of the credit card statements selected for testing was not reviewed or approved, in writing, by someone other than the authorized card holder.

Response and Corrective Action: going forward, the Board will ensure that someone reviews and approves each credit card statement (initial/date) before processing the payment.

**Ethics**

Two board members did not complete the annual ethics training.

Response and Corrective Action: going forward, we will ensure that all board members and employees complete the annual ethics training.

**Budget**

Comparison of total revenues and expenditures of the final budget and actual total revenues and expenditures for the June 30, 2022 fiscal year revealed variances greater than 10%.

Response and Corrective Action: going forward, the Board will amend the budget if total revenues and expenditures of the final budget reveal variances greater than 10% compared to the actual revenues and expenditures.

## **Sexual Harassment**

Three of the five individuals selected for testing did not complete the annual sexual harassment training.

Response and Corrective Action: going forward, we will ensure that all board members and employees complete the annual sexual harassment training.

  
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Emily DeAngelo,  
*Executive Director*