

THE ASSIST AGENCY, INC.
BASIC FINANCIAL STATEMENTS AND
AUDITORS' REPORT
FOR THE YEAR ENDED DECEMBER 31, 2021

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Langley, Williams
& Company, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

LESTER LANGLEY, JR.
DANNY L. WILLIAMS
PHILLIP D. ABSHIRE, JR.
DAPHNE BORDELON BERKEN

NICHOLAS J. LANGLEY
PHILLIP D. ABSHIRE, III
SARAH CLARK WERNER
ALEXIS H. O'NEAL
JESSICA LOTT-HANSEN

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
The Assist Agency, Inc.
Crowley, Louisiana

Opinion

We have audited the accompanying financial statements of The Assist Agency, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Assist Agency, Inc. as of December 31, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Assist Agency, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Assist Agency, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional

omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Assist Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Assist Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2022, on our consideration of The Assist Agency, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of The Assist Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Assist Agency's internal control over financial reporting and compliance.



Jennings, Louisiana
June 30, 2022

THE ASSIST AGENCY, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 554,277
Other receivables	35,547
Other current assets	5,144
Total current assets	594,968

FIXED ASSETS

Property and equipment, net of accumulated depreciation	47,794
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OTHER ASSETS

Notes receivable, net of allowance for losses of \$26,139	8,831
Due from Friends of ASSIST, Inc.	134,128
Total other assets	142,959

TOTAL ASSETS	\$ 785,721
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 87,295
Accrued payroll liabilities	8,178
Total current liabilities	95,473

OTHER LIABILITIES

Accrued compensated absences	19,300
Security deposits	1,450
Total other liabilities	20,750

TOTAL LIABILITIES	116,223
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NET ASSETS

Without donor restrictions	668,098
With donor restrictions	1,400
Total net assets	669,498

TOTAL LIABILITIES AND NET ASSETS	\$ 785,721
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See accompanying notes and independent auditors' report.

THE ASSIST AGENCY, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

CHANGES IN UNRESTRICTED NET ASSETS:

	Without Donor Restrictions	With Donor Restrictions
UNRESTRICTED REVENUES AND SUPPORT		
Grants	\$ 124,153	\$ 1,115,634
Contributions	375	120,994
Interest income	1,092	-
Developer fee income	60,813	-
Other	44,904	-
Total Unrestricted revenues and support	231,337	1,236,628
NET ASSETS RELEASED FROM RESTRICTIONS		
Program restrictions satisfied	1,236,628	(1,236,628)
Total revenues, support, and net assets released from restrictions	1,467,965	-
EXPENSES		
Program activities:		
Emergency assistance	1,164,146	-
Disaster relief	83,863	-
Other Program Activities	69,321	-
Total	1,317,330	-
Management and general	138,957	-
Total expenses	1,456,287	-
CHANGE IN NET ASSETS	11,678	-
NET ASSETS AT BEGINNING OF PERIOD	656,420	1,400
NET ASSETS AT END OF PERIOD	\$ 668,098	\$ 1,400

See accompanying notes and independent auditors' report.

THE ASSIST AGENCY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021

	Emergency Assistance	Disaster Relief	Other	Management and General	Total
Compensation and Related Expenses:					
Salaries	376,361	-	15,703	53,774	445,838
Employee Benefits:					
Payroll Taxes	22,481	-	1,405	4,215	28,101
Retirement	4,220	-	-	1,106	5,326
Total	<u>403,062</u>	<u>-</u>	<u>17,108</u>	<u>59,095</u>	<u>479,265</u>
Administrative Fees	2,750	-	-	316	3,066
Advertising	434	-	-	57	491
Bank Charges	-	-	-	1,147	1,147
Community Food	493	-	398	-	891
Depreciation	-	-	7,043	-	7,043
Disaster relief	-	83,658	-	-	83,658
Dues and Subscriptions	1,563	-	-	16	1,579
Emergency Assistance	676,332	-	9,693	267	686,292
Financial Education	-	-	15,025	-	15,025
Insurance	26,062	-	1,320	18,955	46,337
Audit and Professional Fees	-	-	-	29,901	29,901
Meeting	-	-	-	222	222
Miscellaneous	1,127	-	75	288	1,490
Penalties and Fines	-	-	-	393	393
Postage	281	-	165	637	1,083
Registration Fees	-	-	-	1,998	1,998
Rent	28,877	-	7,800	7,483	44,160
Repairs and Maintenance	7,661	-	2,911	5,726	16,298
Supplies	5,437	205	3,535	6,340	15,517
Telephone	8,053	-	3,153	2,242	13,448
Training	-	-	-	488	488
Travel	252	-	1,095	16	1,363
Utilities	1,762	-	-	3,370	5,132
Totals	<u>\$ 1,164,146</u>	<u>\$ 83,863</u>	<u>\$ 69,321</u>	<u>\$ 138,957</u>	<u>\$1,456,287</u>

See accompanying notes and independent auditors' report.

THE ASSIST AGENCY, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in Net Assets	\$ 11,678
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:	
Depreciation	7,043
Change in Assets and Liabilities:	
Accounts Receivable	(1,876)
Other Current Assets	(804)
Accounts Payable	60,197
Accrued Payroll Liabilities	746
Accrued Compensated Absences	<u>(5,766)</u>
Net Cash Provided by Operating Activities	71,218
CASH FLOWS FROM INVESTING ACTIVITIES	
Principal payments received on notes receivable	<u>3,721</u>
Net Cash Provided By Investing Activities	<u>3,721</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Payments from Due from Friends of Assist, Inc.	<u>14,122</u>
Net Cash Provided By Financing Activities	<u>14,122</u>
NET CHANGE IN CASH	89,061
CASH AND EQUIVALENTS, BEGINNING OF PERIOD	<u>465,216</u>
CASH AND EQUIVALENTS, END OF PERIOD	<u><u>\$ 554,277</u></u>

See accompanying notes and independent auditors' report.

THE ASSIST AGENCY, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

(A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations – The ASSIST Agency, Inc., (“ASSIST Agency” or “Agency”) is a non-profit corporation chartered by the State of Louisiana on March 15, 1976. The primary function of The ASSIST Agency is to provide services to low-income, handicapped, and homeless individuals in the form of emergency food and shelter, food distribution, low-income housing assistance, and other related social and emergency services in Acadia, Vermilion, and Jefferson Davis Parishes. The Board of Directors governs the operations of the Agency.

Financial Statement Presentation –The Financial Accounting Standards Board (“FASB”) promulgates accounting principles generally accepted in the United States of America and reporting standards for Not-for-Profit entities. The accompanying financial statements have been prepared in accordance with such principles.

Cash and Cash Equivalents – For purposes of the Statement of Cash Flows, the Agency considers all investments purchased with an original maturity of three months or less to be cash equivalents, excluding permanently restricted cash and cash equivalents.

Property and Equipment – The Agency capitalizes property and equipment over \$1,000. Less amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are capitalized at their fair market value at the date contributed. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as contributions with donor restrictions. The Agency is not allowed to dispose of any fixed assets purchased with grant proceeds without the approval of the grantor agency. In addition, the Agency currently uses equipment whose title is held by the Louisiana Department of Labor under the Community Services Block Grant. Property and equipment are depreciated using the straight-line method over estimated useful lives of the assets. Depreciation expense was \$7,043 for the year ended December 31, 2021.

The estimated useful life by type of assets is as follows:

Computers	5-7 years
Furniture and fixtures	5-7 years
Equipment	5-10 years

Contributed Services and Tangible Personal Property – The Agency recognizes donated services that (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. At December 31, 2021, there were no material donated services.

The Agency occasionally receives contributions for food, personal care items, or equipment. These contributions are used in providing services to the homeless who stay in the Agency’s shelter. The contributions are recognized at the items’ fair value at the date of donation, estimated using sales prices for items for similar condition.

THE ASSIST AGENCY, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

(A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Contributions - Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions. Support that is not restricted by the donor is reported as an increase in net assets without donor restrictions. All other donor restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Description of net assets classification - FASB ASC 958, Financial Statements for Not-for-Profit Entities, requires the net assets and changes in net assets be reported for two classifications – with donor restrictions and without donor restrictions based on the existence or absence of donor imposed restrictions. The Agency reports gifts of cash and other assets as restricted support if they are received with donor imposed restrictions or requirements that limit the use of the donation. A donor restriction ends when a time restriction is met or a purpose restriction is accomplished. As restrictions are met, assets are reclassified to net assets without donor restrictions.

Income Taxes - The Agency is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. The Agency believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

The Agency's federal Exempt Organization Business Income Tax Returns (Form 990T) are subject to examination by the IRS generally for three years after they were filed.

Use of Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Functional Allocation of Expenses - The financial statements report certain categories that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include compensation and benefits, which are allocated on the basis of estimates of time and effort, as well as depreciation and occupancy, which are allocated on a square footage basis. Telephone costs are allocated based on line counts by functional category.

Federal Financial Awards - Revenues from direct and indirect federal grants and contracts are recorded based on expenses incurred for contracts that are on a cost reimbursement basis, and based on the units of service for those contracts which are on a fee for service basis. In the statement of activities, these revenues are included in grants revenue under unrestricted revenues and support. Related contract receivables are referred to as accounts receivable in the statement of financial position.

THE ASSIST AGENCY, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

(A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Advertising Costs – The Agency uses advertising to promote its programs among the individuals it serves. The cost of this advertising is expensed as incurred. Advertising costs for the year ended December 31, 2021, was \$491.

New accounting pronouncements – In February 2016, the FASB issued ASU No. 2016-02, Leases. This accounting standard requires lessees to recognize assets and liabilities related to lease arrangements longer than 12 months on the balance sheet as well as additional disclosures. The updated guidance is effective for annual periods beginning after December 15, 2021. The Agency is currently assessing the impact of this pronouncement on its financial statements.

In September 2020, the FASB issued ASU No. 2020-07, Presentation and Disclosures by Not-for Profit Entities for Contributed Nonfinancial Assets. This accounting standard improves transparency in the reporting of contributed nonfinancial assets, also known as gifts-in-kind, for not-for-profit organizations through enhancements to presentation and disclosure. The standard is effective for annual periods beginning after December 15, 2021. Management is currently assessing the impact of this pronouncement on its financial statements.

(B) NET ASSETS WITH DONOR RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the purpose or time restrictions specified by donors as follows:

Louisiana Department of Labor	\$ 1,034,147
Emergency food and Shelter program	81,487
United Way	104,871
Public contributions	16,123
Total	<u>\$ 1,236,628</u>

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THE ASSIST AGENCY, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

(C) PROPERTY AND EQUIPMENT

Property and equipment activity for the year ended December 31, 2021, were as follows:

	Balance at <u>1/1/2021</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>12/31/2021</u>
Computers	\$ 48,604	\$ -	\$ -	\$ 48,604
Furniture and fixtures	3,951	-	-	3,951
Equipment	<u>12,239</u>	<u>-</u>	<u>-</u>	<u>12,239</u>
Total capital assets being depreciated	64,794	-	-	64,794
Less accumulated depreciation:				
Computers	24,081	6,608	-	30,689
Furniture and fixtures	3,649	121	-	3,770
Equipment	<u>10,618</u>	<u>314</u>	<u>-</u>	<u>10,932</u>
Total accumulated depreciation	38,348	7,043	-	45,391
Land	<u>28,391</u>	<u>-</u>	<u>-</u>	<u>28,391</u>
Total property and equipment, net	<u>\$ 54,837</u>	<u>\$ (7,043)</u>	<u>\$ -</u>	<u>\$ 47,794</u>

(D) ACCRUED COMPENSATED ABSENCES

Employees earn from six to eighteen days each of annual leave and sick leave each year, depending on their length of service. The maximum amount of annual leave an employee is allowed to carry over is 120 hours (15 days). Upon termination, employees are paid for all unused annual leave (up to 120 hours). Accordingly, an accrual of \$19,300 has been made for accumulated annual leave as of December 31, 2021.

(E) RETIREMENT PLAN

The Agency contributes to a Savings Incentive Match Plan for Employees of Small Employers (SIMPLE). All employees of the Agency are eligible to participate. The Agency contributes up to 3.00% of each employee's compensation for the calendar year to a SIMPLE IRA for each employee who has at least \$5,000 in compensation for the previous year. Retirement plan expense for the year ended December 31, 2021 was \$5,326.

(F) INVESTMENTS IN LIMITED PARTNERSHIPS

On September 21, 2000, the Agency entered into a limited partnership known as Southern Apartments Partnership, as managing general partner. The partnership was formed to develop multi-family housing in Iota, Louisiana, for use and occupancy by individuals and families of low to moderate income, in accordance with the terms and conditions of participation in the HOME Affordable Rental Housing Program. The Agency has an equity position of 2.50% in the partnership. However, as a general partner, the Agency is potentially liable for all the debts of the partnership.

THE ASSIST AGENCY, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

(F) INVESTMENTS IN LIMITED PARTNERSHIPS – (Continued)

On May 15, 2006, the Agency entered into a limited partnership known as Bobby Smith Subdivision I Limited Partnership, as managing general partner. The partnership was formed to develop, build, own and operate a scattered site residential housing complex in Acadia Parish, for the purposes of providing affordable housing, in accordance with the terms and conditions of participation in the HOME Affordable Rental Housing Program. The Agency has an equity position of .005% in the partnership. However, as a general partner, the Agency is potentially liable for all the debts of the partnership.

On May 15, 2006, the Agency entered into a limited partnership known as Bobby Smith Subdivision II Limited Partnership, as managing general partner. The partnership was formed to develop, build, own and operate a scattered site residential housing complex in Acadia Parish, for the purposes of providing affordable housing, in accordance with the terms and conditions of participation in the HOME Affordable Rental Housing Program. The Agency has an equity position of .005% in the partnership. However, as a general partner, the Agency is potentially liable for all the debts of the partnership.

On March 15, 2007, the Agency entered into a limited partnership known as South Church Point Subdivision Limited Partnership, as managing general partner. The partnership was formed to develop, build, own and operate a scattered site residential housing complex in Acadia Parish, for the purposes of providing affordable housing, in accordance with the terms and conditions of participation in the HOME Affordable Rental Housing Program. The Agency has an equity position of .005% in the partnership. However, as a general partner, the Agency is potentially liable for all the debts of the partnership.

The Agency (as a CHDO Developer) entered into a Development Services Agreement with South Church Point Subdivision Limited Partnership to acquire, construct, develop, improve, maintain, own, operate, lease, dispose and otherwise deal with a single-family housing project in Church Point, La. Funding for the project is from Louisiana Housing Finance Agency, Federal Home Loan Bank of Dallas, HOME, and Louisiana Recovery Authority. For the year ended December 31, 2021, the Agency received \$60,813 in developer fees.

(G) NOTES RECEIVABLE

The Agency has issued loans from funds it received from USDA-Rural Development under The Rural Business Enterprise Grant (RBEG) Program. One loan with a principal balance of \$26,139 (originally \$30,000) is in default and is fully reserved. The other loan was issued during 2018 in the original amount of \$20,000 is performing as intended and has a current balance of \$8,831.

In February 2018, the Agency loaned James A. Herod Apartments, Inc., a partner of the Agency in a housing project (see Note F above) \$41,052 to help cover operating expenses. Since then, James A. Herod Apartments, Inc., has filed suit against the Agency (see Note N) for breach of contract on the project. As such, the loan was fully reserved.

(H) CONCENTRATIONS OF CREDIT RISK

The Agency receives funding from the U.S. Department of Health and Human Services in the form of Community Services Block Grant funds that are passed through the Louisiana Department Labor, Office of Workforce Development. During 2021, the Agency received \$1,034,147 of Community Services Block Grants. This amount represents 71.3% of total revenues and support received by the Agency for the year

THE ASSIST AGENCY, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

(H) CONCENTRATIONS OF CREDIT RISK – (Continued)

ended December 31, 2021. A change in this funding could substantially affect the operations of the Agency.

The Company maintains cash at a financial institution. The accounts were insured by the FDIC up to \$250,000 per institution. At December 31, 2021, the Company's uninsured cash balances totaled \$21,364.

(I) RELATED PARTY TRANSACTION

In June 2008, Friends of ASSIST, a 501(c)(3) Agency sharing common management and board of directors with The Assist Agency, Inc., was formed. The Assist Agency, Inc. has advanced a total of \$134,128 in cash and organizational expense payments on behalf of the Friends of Assist. The Agency intends to collect the amount and it is therefore classified as a current asset.

(J) FINANCIAL INSTRUMENTS

The Agency's financial instruments consist of cash and short-term investments, accounts receivable, loans receivable and accounts payable. The carrying amounts for these financial instruments approximates fair value because of their short-term nature.

(K) NONCOMPLIANCE WITH GRANTOR RESTRICTIONS

Financial awards from federal, state, and local governmental entities in the form of grants are subject to special audit. Such audits could result in claims against the Agency for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

(L) COMPENSATION OF BOARD MEMBERS

Members of the Board of Directors of the Agency received no compensation for services rendered as directors during 2021.

(M) COMPENSATION, BENEFITS AND OTHER PAYMENTS OF THE EXECUTIVE DIRECTOR

A detail of compensation, benefits, and other payments paid to Sharon Clement, Executive Director, for the year ended December 31, 2021, follows:

Salary	\$ 62,600
Insurance	<u>1,800</u>
	<u>\$ 64,400</u>

THE ASSIST AGENCY, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

(N) CONTINGENCIES

In May 2019, the Agency was notified that it was a defendant in a lawsuit by James A. Herod Apartments, Inc., for breach of contract. This lawsuit was dismissed in court in 2022. The Agency did not incur any losses related to the lawsuit.

(O) OPERATING LEASES

The Company leases various office spaces throughout the year. The following is schedule by year of future minimum rentals under the leases at December 31, 2021:

2022	\$	24,815
2023	\$	975

(P) SUBSEQUENT EVENTS

Subsequent events were evaluated through the date of the independent auditors' report, which is the date the financial statements were available to be issued. Management feels that no additional disclosures are necessary.



Langley, Williams
& Company, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

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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***

To the Board of Directors
The ASSIST Agency, Inc.
Crowley, 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 Assist Agency, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 28, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered The Assist Agency, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances 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 Assist Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of The Assist Agency'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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether The Assist Agency'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 financial statements. 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*.

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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Joyly, Williams, Co., P.C.

Jennings, Louisiana
June 30, 2022



Langley, Williams
& Company, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

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JESSICA LOTT-HANSEN

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors
The ASSIST Agency, Inc.
Crowley, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited The Assist Agency, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of The Assist Agency, Inc.'s major federal programs for the year ended December 31, 2021. The Assist Agency, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, The Assist Agency, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of The Assist Agency, Inc. and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of The Assist Agency, Inc.'s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to The Assist Agency, Inc.'s federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on The Assist Agency, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about The Assist Agency, Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding The Assist Agency, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of The Assist Agency, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of The Assist Agency, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2021-001. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on The Assist Agency, Inc.'s response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The Assist Agency, Inc.'s response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Joyce Williams, Co., CPA

Jennings, Louisiana
June 30, 2022

THE ASSIST AGENCY, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2021

I have audited the financial statements of The ASSIST Agency, Inc. as of and for the year ended December 31, 2021, and have issued my report thereon dated June 28, 2022. I conducted my 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 Comptroller General of the United States. My audit of the financial statements of December 31, 2021 resulted in an unmodified opinion.

Section I Summary of Auditor's Reports

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

Internal Control

Significant Deficiencies Yes No
Material Weaknesses Yes No

Compliance

Noncompliance Material to Financial Statements Yes No

b. *Federal Awards*

Compliance

Noncompliance Material to Financial Statements Yes No

Section II - Financial Statement Findings

None

Section III - Federal Awards Findings and Questioned Costs

2021-001: All Federal Awards

Condition: The prior year audit report was not uploaded to the Federal Audit Clearing House IMS within nine months and did not obtain an extension.

Criteria: 2 CFR section 200.512(a) requires the reporting package and data collection form to be submitted to the Federal Audit Clearinghouse the earlier of 30 calendar days after the reports are received from the auditor or nine months after the end of the audit period.

Cause: Report was not submitted timely.

Effect: Late filing of the audit report.

Recommendation: Management should ensure timely filings going forward.

Views of Responsible Officials and Planned Corrective Action: Management agrees with the finding and is in the process of updating policies and procedures.

THE ASSIST AGENCY, INC.

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2020**

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

Not Applicable.

THE ASSIST AGENCY, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Federal Grantor Program Title	Federal CFDA Number	Identifier Number	Federal Expenditures
U.S. Department of Health and Human Services			
Passed through the Louisiana Department of Labor, Office of Workforce Development:			
Community Services Block Grants:			
CSBG Subgrant	93.569 *	2020	\$ 264,919
CSBG Subgrant	93.569 *	2021	268,286
CSBG Subgrant	93.569 *	CARES Act	586,515
U.S. Department of Homeland Security			
Passed through the United Way of Acadiana:			
Emergency Food and Shelter Grant	97.024		1,058
U.S. Department of Housing and Urban Development			
Passed through the Louisiana Housing Corporation and Acadiana Regional Coalition on Homelessness:			
Emergency Solutions Grant	14.231		24,101
Passed through the Louisiana Housing Corporation and Home Investment Partnership Program:			
Housing Counseling Assistance Program	14.169		<u>11,436</u>
Total Expenditures			<u>\$ 1,156,315</u>

* - denotes a major program

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE A—BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (SEFA) includes the federal grant activity of The Assist Agency, Inc. (the Agency) and is presented on the accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a selected portion of the operations of the Agency, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Agency.

NOTE B—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the SEFA are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the *Uniform Guidance*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.



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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

The ASSIST Agency, Inc.
Crowley, Louisiana

To the Governing Board of The ASSIST Agency, Inc. of Crowley, Louisiana's Office and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2021 through December 31, 2021. The ASSIST Agency, Inc. of Crowley, Louisiana's Office's ("Assist Agency") management is responsible for those C/C areas identified in the SAUPs.

The Assist Agency has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2021 through December 31, 2021. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

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/Electronic Municipal Market Access ("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) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Exception: Per our inspection of the policies and procedures of the entity, we noted that the entity did not have written policies and procedures regarding "Contracting", "Ethics", "Debt Service", and "Credit Cards". Also noted, the entity did not specifically list the requirements of bid law and missing an annual employee sexual harassment training and reporting.

Management's response: Management noted the above procedures are being performed, however they are in the process of updating their policies and procedures to include the above exceptions.

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 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.
The board met every other month for the fiscal period with a quorum in attendance at all meetings.
 - 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 fund. *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.*
There were no exceptions noted as a result of applying this procedure.
 - 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.

As this is not a governmental entity, this procedure is not applicable.

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:

We obtained a list of bank accounts from management and management's representation that the list was complete.

- 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);

Exception: Four out of five accounts did not have supporting documentation of evidence that the bank reconciliations were prepared within two months of the related statement closing date.

Management's Response: Management will correct this going forward and also add to their policies and procedures. It was noted that as of December 31, 2021 the preparation timeliness has been corrected.

- 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

Exception: All of the accounts tested did not have evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation.

Management's Response: Management will correct this going forward and also add to their policies and procedures.

- 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.

Exception: One out of five accounts were found to have outstanding checks for more than twelve months and management did not have documentation that it was researched.

Management's Response: Management will correct this going forward and also add to their policies and procedures.

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).

Obtained a listing of all deposit sites for the fiscal period and management's representation that the listing is complete.

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.

There were no exceptions noted as a result of applying this procedure.

- 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.

There were no exceptions noted as a result of applying this procedure.

- 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.

There were no exceptions noted as a result of applying this procedure.

- 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.

There were no exceptions noted as a result of applying this procedure.

- 6. 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.

There were no exceptions noted as a result of applying this procedure.

- 7. 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.

As the majority of the collections are direct deposit, this procedure is not applicable.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

As the majority of the collections are direct deposit, this procedure is not applicable.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

As the majority of the collections are direct deposit, this procedure is not applicable.

- 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).

As the majority of the collections are direct deposit, this procedure is not applicable.

- e) Trace the actual deposit per the bank statement to the general ledger.

There were no exceptions noted as a result of applying this procedure.

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).

Per discussion with management, we noted only one location processes payments for the fiscal period.

- 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.

There were no exceptions noted as a result of applying this procedure.

- b) At least two employees are involved in processing and approving payments to vendors.

There were no exceptions noted as a result of applying this procedure.

- 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.

Exception: The employee responsible for processing payments can add/modify vendor files and no one reviews the vendor listing.

Management's Response: Management will review the vendor listing periodically and maintain written documentation stating that this review has been performed.

- 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 noted as a result of applying this procedure.

- 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.

There were no exceptions noted as a result of applying this procedure.

- 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 noted as a result of applying this procedure.

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.

We obtained a listing of active credit cards, bank debit cards, fuel cards, and P-cards for the fiscal period and 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.]

There were no exceptions noted as a result of applying this procedure.

- b) Observe that finance charges and late fees were not assessed on the selected statements.

Exception: There was one statement with finance charges and late fees totaling \$5.30.

Management's Response: Going forward the entity will implement procedures to pay all credit card balances timely.

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.

Exception: There was one transaction not supported by an original itemized receipt.

Management's Response: Management will ensure all credit card charges have appropriate back up with filing.

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:

Obtained a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing is complete.

- 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).

There were no exceptions noted as a result of applying this procedure.

- b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

There were no exceptions noted as a result of applying this procedure.

- 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).

There were no exceptions noted as a result of applying this procedure.

- d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

There were no exceptions noted as a result of applying this procedure.

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:

We obtained a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities from management and management's representation that the listing is complete.

- 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.

None of the selected contracts were subject to bid law; therefore, this procedure is not applicable.

- 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).

There were no exceptions noted as a result of applying this procedure.

- 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).

There were no amendments during the fiscal period; therefore, this procedure is not applicable.

- 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 noted as a result of applying this procedure.

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.

We obtained a listing of employees and management's representation that the listing is complete.

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.)

There were no exceptions noted as a result of applying this procedure.

- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.

There were no exceptions noted as a result of applying this procedure.

- c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

There were no exceptions noted as a result of applying this procedure.

- 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 noted as a result of applying this procedure.

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 noted as a result of applying the above procedure.

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 noted as a result of applying the above procedure.

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.

There were no exceptions noted as a result of applying this procedure.

- 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.

There were no changes in the entity’s ethics policy during this fiscal period; therefore, this procedure is not applicable.

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.

No debt was issued during the fiscal period. Therefore, this procedure is not applicable.

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).

No debt was issued during the fiscal period. Therefore, this procedure is not applicable.

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.

Management has asserted that the entity did not have any misappropriations of public funds or assets.

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.

Exception: The notice required by R.S. 24:523.1 was not posted on the entity’s premises or its website.

Management’s Response: Management is working on updating their website to include this notice. Also, they plan to post the notice on their premises.

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.

Exception: No evidence of backup of critical data occurred in the past week of testing.

Management’s Response: Management will update their policies and procedures to back up its critical data.

- 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.

The entity does not back up their critical data; therefore, this procedure is not applicable.

- 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.

We performed the procedure and discussed the results with management. There were no exceptions noted as a result of applying this procedure.

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.

There were no exceptions noted as a result of applying this procedure.

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).

There were no exceptions noted as a result of applying this procedure.

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:

- a) Number and percentage of public servants in the agency who have completed the training requirements;
- b) Number of sexual harassment complaints received by the agency;
- c) Number of complaints which resulted in a finding that sexual harassment occurred;

- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e) Amount of time it took to resolve each complaint.

There were no exceptions noted as a result of applying this procedure.

We were engaged by the Assist Agency to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, 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.

We are required to be independent of the Assist Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended 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.

Langley, Williams & Co., LLC



Lake Charles, LA
June 30, 2022