

Iberia Parish Council
New Iberia, Louisiana

Agreed-Upon Procedures Report
Iberia Parish Library

Fiscal period January 1, 2021 through November 30, 2021

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

Brad E. Kolder, CPA, JD*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Stephen J. Anderson, CPA*
Matthew E. Margaglio, CPA*
Casey L. Ardoin, CPA, CFE*
Wanda F. Arcement, CPA
Bryan K. Joubert, CPA
Nicholas Fowlkes, CPA

C. Burton Kolder, CPA*
Of Counsel

Victor R. Slaven, CPA* - retired 2020
Christine C. Doucet, CPA - retired 2022

* A Professional Accounting Corporation

183 S. Beadle Rd. 11929 Bricksome Ave.
Lafayette, LA 70508 Baton Rouge, LA 70816
Phone (337) 232-4141 Phone (225) 293-8300

1428 Metro Dr. 450 E. Main St.
Alexandria, LA 71301 New Iberia, LA 70560
Phone (318) 442-4421 Phone (337) 367-9204

200 S. Main St. 1201 David Dr.
Abbeville, LA 70510 Morgan City, LA 70380
Phone (337) 893-7944 Phone (985) 384-2020

434 E. Main St. 332 W. Sixth Ave.
Ville Platte, LA 70586 Oberlin, LA 70655
Phone (337) 363-2792 Phone (337) 639-4737

WWW.KCSRCPAS.COM

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

M. Larry Richard, Parish President
and Iberia Parish Council
and the Iberia Parish Library

We have performed the procedures enumerated below, which were agreed to by Iberia Parish Council and the Parish Library on selected control and compliance (C/C) areas for the fiscal period January 1, 2021 through November 30, 2021. The Iberia Parish Library's management is responsible for those C/C areas.

Iberia Parish Council has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of testing the control and compliance environment of the Iberia Parish Library. Additionally, the Iberia Parish Library and its Director 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 exceptions are as follows:

Written Policies and Procedures

1. Obtain and inspect the Board's written policies and procedures, as applicable:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - b) **Purchasing**, including (1) how purchases are initiated; (2) the preparation and approval process of purchase requisitions and purchase orders; (3) controls to ensure compliance with public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving invoices.
 - 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 including grant funding.
 - e) **Payroll/Personnel**, including 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) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- h) **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 all employees annually attest through signature verification that they have read the entity's ethics policy.
- i) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- j) **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.
- k) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

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 met during the review period on a frequency in accordance with the Board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) Randomly select one meeting. Review that the minutes (1) contain reference that a financial report was provided to the Board and (2) were properly and timely published in the official journal and posted to the Parish's website and/or the Board's website in accordance with Parish Ordinance #2018-09-4928.

Collections (excluding electronic funds transfers)

- 3. Obtain and inspect written policies and procedures relating to employee job duties (if no written policies and procedures, inquire of employees about their job duties) and observe that job duties are properly segregated such that 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.
- 4. Randomly select 5 cash receipts from the review period. Exclude ad valorem tax collections receipts from selection. Trace amount collected to the receipt of funds/deposit slip, and bank statement. Determine that amount is correctly calculated/charged per fee schedules. Determine that said amount is coded properly to the general ledger. Observe that the deposit was made within one business day of receipt (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).

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

- 5. Obtain a listing of those employees involved with non-payroll purchasing functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.

6. 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, obtain supporting documentation 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 #5, as applicable.
 - c) Observe that the disbursement is properly supported by a purchase order and that said disbursement is properly coded to the general ledger. Purchase amounts and requisitions should be in accordance with the Board's purchasing policy as well as State Law.

Book Inventory

7. Using the listing current year's book purchase invoices selected by client as detailed below, find the books on the Library's online database. Determine whether the book is checked out or available for check out. If the book is in the library, physically examine the book. Determine that the book has been properly labeled as property of the Iberia Parish Library.
 - a) Foul Play by Stuart Woods – Purchased from Cengage Learning Inc., Invoice #76036157
 - b) We Want A Dog by Lo Cole – Purchased from Baker & Taylor, Invoice #5017124981
 - c) Swiss Family Robinson by Johann Wyss – Purchased from Ingram Library Services, Invoice #53737004
 - d) Syndicate Gun by DB Newton – Purchased from Center Point Large Print, Invoice #1831147

Contracts

8. Inquire of management of all agreements/contracts for professional services, leases, and construction activities that were initiated or renewed during the review period. *Alternately, the practitioner may use an equivalent selection source, such as the year-to-date fund general ledger.* Randomly select 2 contracts from the listing, and:
 - a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - b) Observe that the contract was approved by the Board, if required by policy or law.
 - 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 review period for each of the selected 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.

Payroll and Personnel

9. Obtain a listing of employees and officials employed during the review period and management's representation that the listing is complete. Randomly select 2 employees, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
10. Randomly select one pay period during the review period. For the 2 employees selected under #9 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe that the selected employees documented their daily attendance and leave (e.g., vacation, sick, compensatory).
 - b) Observe that supervisors approved the attendance and leave of the selected employee.

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - d) Observe the completeness of the employee's time card for the review period.
11. Observe that the documentation demonstrates that the selected employees completed one hour of ethics training during the fiscal period. In addition to the 2 employees selected, use the meeting minutes selected in 2b above to select one Board member at random to demonstrate compliance with required ethics training.

Fraud Notice

12. 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 Board, Parish Government, legislative auditor, and the district attorney of the parish in which the entity is domiciled.
13. 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.

Information Technology Disaster Recovery/Business Continuity

14. Perform the following procedures, and verbally discuss the results with management:
- a. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.
 - b. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - c. Obtain a listing of the entity's computers currently in use, and their related locations, and management's representation that the listing is complete. Randomly select 2 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.

Sexual Harassment

15. Using the employees/officials selected from #10 and #11 above, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

Findings:

No exceptions were found as a result of the procedures listed above with the exception of:

Written Policies:

The Iberia Parish Library does not have separate written policies and procedures from those implemented and adopted by the Parish Council.

Board Minutes

The meeting minutes did not contain reference that a financial report was provided to the Board.

Collections

Cash collections lacked adequate documentation to determine that the amount is correctly calculated/charged per the fee schedule.

Management's Response:

Management of Iberia Parish Council and the Iberia Parish Library concurs with the exceptions and is working to address the deficiencies identified.

We were engaged by Iberia Parish Council 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 the control and compliance environment of the Iberia Parish Library. 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 Iberia Parish Council and the Iberia Parish Library 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 for the information and use of the Iberia Parish Council and the Iberia Parish Library and is not intended to be and should not be used by anyone other than those specified parties.

Kolder, Slaven & Company, LLC
Certified Public Accountants

New Iberia, Louisiana
June 22, 2022