

**ST. LANDRY PARISH ECONOMIC  
DEVELOPMENT DISTRICT**

Opelousas, Louisiana

Financial Report

Year Ended June 30, 2022

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1231 East Laurel Avenue  
Eunice, LA 70535

P 337-457-4146  
F 337-457-5060

DSFCPAS.COM

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## INDEPENDENT AUDITOR'S REPORT

Board of Commissioners  
St. Landry Parish Economic Development District  
Opelousas, Louisiana

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of St. Landry Parish Economic Development District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Landry Parish Economic Development District, as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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 St. Landry Parish Economic Development District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these 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 St. Landry Parish Economic

Development District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's 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 opinions. 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 from fraud is higher than 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 St. Landry Parish Economic Development District'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 St. Landry Parish Economic Development District'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.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 25 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management’s discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the St. Landry Parish Economic Development District’s basic financial statements. The accompanying schedule of compensation, benefits, and other payments to agency head is presented for purposes of additional analysis and are not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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 compensation, benefits, and other payments to agency head is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor’s report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2022, on our consideration of the St. Landry Parish Economic Development District’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 St. Landry Parish Economic Development District’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 St. Landry Parish Economic Development District’s internal control over financial reporting and compliance.

***Darnall, Sikes, & Frederick***

A Corporation of Certified Public Accountants

Eunice, Louisiana  
December 14, 2022

**BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)**

ST. LANDRY PARISH ECONOMIC DEVELOPMENT DISTRICT

Statement of Net Position  
June 30, 2022

	<u>2022</u>
	<u>Governmental</u>
	<u>Activities</u>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 836,125
Certificates of deposit	1,912,511
Receivables - intergovernmental	58,135
Prepaid expenditures	<u>6,745</u>
Total current assets	<u>2,813,516</u>
Noncurrent assets	
Capital assets, net of depreciation	1,099,222
Utility deposit	<u>75</u>
Total noncurrent assets	<u>1,099,297</u>
Total assets	<u>\$ 3,912,813</u>
<b>LIABILITIES</b>	
Accounts payable	16,798
Other accrued liabilities	3,712
Deferred revenue	<u>750</u>
Total liabilities	<u>\$ 21,260</u>
<b>NET POSITION</b>	
Invested in capital assets, net of related debt	1,099,222
Unrestricted	<u>2,792,331</u>
Total net position	<u>\$ 3,891,553</u>

The accompanying notes are an integral part of this financial statement.



ST. LANDRY PARISH ECONOMIC DEVELOPMENT DISTRICT

Statement of Activities  
Year Ended June 30, 2022

Activities	Expenses	Program Revenues		Operating Grants and Contributions	Net (Expense) Revenues and Changes in Net Assets Total Governmental Activities
		Charges for Services	Operating Grants and Contributions		
Governmental activities:					
General government	\$ 611,501	\$ 264,221	\$ -	\$ 22,346	\$ (324,934)
Total primary government	<u>\$ 611,501</u>	<u>\$ 264,221</u>	<u>\$ -</u>	<u>\$ 22,346</u>	<u>(324,934)</u>
General revenues:					
					(187,201)
					11,198
					356,569
					<u>2,685</u>
					<u>183,251</u>
					(141,683)
					<u>4,033,236</u>
					<u>\$ 3,891,553</u>

The accompanying notes are an integral part of this financial statement.

**FUND FINANCIAL STATEMENTS (FFS)**

ST. LANDRY PARISH ECONOMIC DEVELOPMENT DISTRICT

Balance Sheet – Governmental Fund  
June 30, 2022

	<u>2022</u>
	<u>General Fund</u>
ASSETS	
Cash and cash equivalents	\$ 836,125
Certificates of deposit	1,912,511
Receivables - intergovernmental	58,135
Utility deposit	75
Prepaid expenditures	<u>6,745</u>
Total assets	<u>\$ 2,813,591</u>
LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable	\$ 16,798
Other accrued liabilities	3,712
Deferred revenue	<u>750</u>
Total liabilities	<u>21,260</u>
Fund balances:	
Nonspendable	
Prepaid expenditures	6,745
Utility deposit	75
Unassigned	<u>2,785,511</u>
Total fund balances	<u>2,792,331</u>
Total liabilities and fund balances	<u>\$ 2,813,591</u>

The accompanying notes are an integral part of this financial statement.

ST. LANDRY PARISH ECONOMIC DEVELOPMENT DISTRICT

Reconciliation of the Governmental Fund Balance Sheet  
to the Statement of Net Position  
June 30, 2022

Total fund balances for the governmental fund at June 30, 2022		\$ 2,792,331
Cost of capital assets at June 30, 2022	\$ 1,463,416	
Less: accumulated depreciation	<u>(364,194)</u>	<u>1,099,222</u>
Total net position of governmental activities at June 30, 2022		<u>\$ 3,891,553</u>

The accompanying notes are an integral part of this financial statement.

ST. LANDRY PARISH ECONOMIC DEVELOPMENT DISTRICT

Statement of Revenues, Expenditures, and Changes in Fund Balances –  
 Governmental Fund  
 Year Ended June 30, 2022

	<u>2022</u>
	<u>General Fund</u>
Revenues:	
Intergovernmental	\$ 356,569
Rentals	264,221
Grant revenue	22,346
Investment income	11,198
Miscellaneous	<u>2,685</u>
Total revenues	<u>657,019</u>
Expenditures:	
Current -	
Contract services	-
Advertising & public relations	18,080
Capital outlay	47,292
Professional fees	74,996
Computer maintenance	26,004
Employee benefit program	27,541
Insurance	39,143
Utilities	28,815
Equipment rental	1,613
Maintenance	30,090
Office expense	9,073
Dues & subscriptions	3,073
Travel & conferences	10,636
Meals	2,077
Payroll taxes	19,230
Wages	<u>252,521</u>
Total expenditures	<u>590,184</u>
Excess (deficiency) of revenues over expenditures	<u>66,835</u>
Other financing sources	
Proceeds from sale of capital assets	<u>245,700</u>
Total other financing sources	<u>245,700</u>
Net increase in fund balances	312,535
Fund balances, beginning of year	<u>2,479,796</u>
Fund balances, end of year	<u>\$2,792,331</u>

The accompanying notes are an integral part of this financial statement.

ST. LANDRY PARISH ECONOMIC DEVELOPMENT DISTRICT

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Fund  
to the Statement of Activities  
Year Ended June 30, 2022

Total net change in fund balances per Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 312,535
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures; however, they are capitalized in the Statement of Net Position.	47,292
Depreciation expense does not require the use of current financial resources and, therefore, is not reported as expenditures in governmental funds.	(68,609)
Governmental funds report proceeds from the sale of fixed assets while the governmental activities report gains and losses on sales of fixed assets. This is the remaining book value of the disposed assets.	<u>(432,901)</u>
Total change in net position per Statement of Activities	<u>\$ (141,683)</u>

The accompanying notes are an integral part of this financial statement.

# ST. LANDRY PARISH ECONOMIC DEVELOPMENT DISTRICT

## Notes to Basic Financial Statements

### NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Financial Reporting Entity

The entity being reported on is the St. Landry Parish Economic Development District (District). The financial report includes all funds over which the District exercises oversight responsibility. This responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters.

The District was established in compliance with Louisiana Revised Statutes 33:130.301 through 130.307 for the primary objective and purpose of promoting and encouraging the development of economic and industrial opportunities, stimulating the economy through renewed commerce and industry, and for the utilization and development of natural and human resources of the area providing job opportunities. The District is governed by a board of seventeen commissioners, of whom nine are appointed by the St. Landry Parish Municipal Association and eight are appointed by the St. Landry Parish Government. The commissioners may not receive per diem or be paid a salary for serving on the board. The boundaries of the District are the boundaries of St. Landry Parish.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the parish government for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. The criteria include:

Appointing a voting majority of an organization's governing body, and

The ability of the parish government to impose its will on that organization and/or

The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the parish government.

Organizations for which the parish government does not appoint a voting majority but are fiscally dependent on the parish government.

Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

As the governing authority of the parish, for reporting purposes, the St. Landry Parish Government is the financial reporting entity for St. Landry Parish. The financial reporting entity consists of (a) the primary government (Parish Government), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion

## ST. LANDRY PARISH ECONOMIC DEVELOPMENT DISTRICT

### Notes to Basic Financial Statements

#### NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Financial Reporting Entity (Continued)

would cause the reporting entity's financial statements to be misleading or incomplete. The St. Landry Parish Economic Development District is not considered to be a component unit of the St. Landry Parish Government:

- a. The District's commissioners are appointed by the St. Landry Parish Government and by all municipalities of St. Landry Parish.
- b. The District possesses the corporate powers that would distinguish it as being legally separate from any other government.
- c. The District is fiscally independent in that it does not need approval from any other entity to adopt a budget, levy taxes or incur debt.

##### Basis of Presentation

The accompanying financial statements of the St. Landry Parish Economic Development District have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

##### Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the District as a whole. These statements include all the financial activities of the District. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

The statement of activities presents a comparison between direct expenses and program revenues for the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.



ST. LANDRY PARISH ECONOMIC DEVELOPMENT DISTRICT

Notes to Basic Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

Fund Financial Statements (FFS)

The District uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

The funds of the District are classified into one category: governmental. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity or its total assets, liabilities, revenues, or expenditures of the individual governmental fund is at least 10 percent of the corresponding total for all governmental funds. The General Fund of the District is considered to be a major fund. The funds of the District are described as follows:

Governmental Fund –

General Fund – This fund is the primary operating fund of the District. It is used to account for all financial resources except those that are required to be accounted for in another fund.

Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded with the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net position and statement of activities, governmental activities are presented using the economic resources measurement focus as defined in item b. below. In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a. The governmental fund utilizes a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.

# ST. LANDRY PARISH ECONOMIC DEVELOPMENT DISTRICT

## Notes to Basic Financial Statements

### NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- b. The government-wide financial statements utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), and financial position. All assets and liabilities (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net position.

#### Basis of Accounting

In the government-wide statement of net position and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

#### Assets, Liabilities, and Equity

##### Cash and cash equivalents

For purposes of the statement of net position, cash and cash equivalents include all demand accounts, savings accounts, and certificates of deposits of the District.

The District has established the policy of including all short-term, highly liquid investments with maturities of 90 or fewer days in cash and cash equivalents. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

The District considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

##### Prepaid items

The District’s policy regarding prepaid expenditures is to record the portion of insurance premiums that is paid during the current fiscal year for future periods.

ST. LANDRY PARISH ECONOMIC DEVELOPMENT DISTRICT

Notes to Basic Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated fair market value at the date of donation. The District maintains a threshold level of \$1,000 for capitalizing capital assets.

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided using the straight-line method of depreciation over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings and Improvements	15-40 years
Furniture and Fixtures	5-10 years
Equipment	5 years
Land Improvements	5 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Net Position in the Government-wide Financial Statements

In the government-wide Statement of Net Position, the Net Position amounts is classified and displayed in three components:

- Invested in capital assets – This component consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those capital assets.
- Restricted net position – This component consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net position – This component consists of all other net position that do not meet the definition of “restricted” or “invested in capital assets.”

Fund Equity – Fund Financial Statements

Governmental fund equity is classified as fund balance. The St. Landry Parish Economic Development District has implemented GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

## ST. LANDRY PARISH ECONOMIC DEVELOPMENT DISTRICT

### Notes to Basic Financial Statements

#### NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Management has classified prepaid expenditures and utility deposits as being nonspendable as these items are not expected to be converted to cash.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of resources are either:
  - Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or
  - Imposed by law through constitutional provisions or enabling legislation.
- **Committed:** This classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (resolution) of the St. Landry Parish Economic Development District, which is the entity's highest level of decision-making authority. These amounts cannot be used for any other purposes unless the District removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The District did not have any committed resources as of year-end.
- **Assigned:** This classification includes amounts that are constrained by the St. Landry Parish Economic Development District's intent to be used for a specific purpose but are neither restricted nor committed. This intent should be expressed by the District. The District did not have any assigned resources as of year-end.
- **Unassigned:** This classification is the residual fund balance of the General Fund. It also represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

When fund balance resources are available for a specific purpose in multiple classifications, the St. Landry Parish Economic Development District will generally use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed. However, the District reserves the right to selectively spend unassigned resources first and to defer the use of the other classified funds.

ST. LANDRY PARISH ECONOMIC DEVELOPMENT DISTRICT

Notes to Basic Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues, Expenditures and Expenses

Revenues

Program revenues for the governmental fund consist of operating grants and rental income. All other revenues are considered general.

Deferred Revenues

The District reports deferred revenues on both the Statement of Net Position (government-wide) and the Balance Sheet (fund financial statements). Deferred revenues arise when the District receives resources before it has a legal claim to them. In subsequent periods, when the District has a legal claim to the resources, the liability for deferred revenue is removed from the Statement of Net Position and the Fund Balance Sheet, whichever the case might be, and the revenue is recognized.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for the governmental fund.

In the fund financial statements, expenditures of the governmental fund are classified by character.

Budgetary and Budgetary Accounting

Operating budgets of proposed expenditures and the means of financing them were adopted for the governmental fund, consistent with generally accepted accounting principles. Budgeted amounts are as originally adopted or as amended by the Board of Directors. Budgetary amendments require approval of the Board of Directors. All budgetary appropriations lapse at the end of each fiscal year.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

ST. LANDRY PARISH ECONOMIC DEVELOPMENT DISTRICT

Notes to Basic Financial Statements

NOTE 2 CASH AND INTEREST-BEARING DEPOSITS

Under state law, the District may deposit funds with a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The District may invest in United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2022, the District has cash and cash equivalents (book balances) totaling \$2,748,636 as follows:

Cash and demand deposits	\$ 409,797
Money market and savings accounts	426,328
Certificates of deposit	<u>1,912,511</u>
	<u>\$ 2,748,636</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. The following is a summary of deposit balances (bank balances) at June 30, 2022, and the related federal insurance and pledged securities:

Bank balances as of 6/30/22	<u>\$ 2,741,667</u>
Federal insurance	750,000
Pledged securities as of 6/30/22	<u>2,261,306</u>
	<u>3,011,306</u>
Excess of pledged securities and federal insurance	<u>\$ 269,639</u>

Pledged securities in Category 3 include uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the District's name. Even though the pledged securities are considered uncollateralized (Category 3) Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 3 CERTIFICATES OF DEPOSIT

The District holds two certificates of deposit with Catalyst Bank. The certificates of deposit automatically renew with terms ranging from 12 to 18 months. The current interest rates on the certificates of deposit range from 0.45% to 0.50% with balances totaling \$1,912,511 as of June 30, 2022.

ST. LANDRY PARISH ECONOMIC DEVELOPMENT DISTRICT

Notes to Basic Financial Statements

NOTE 4 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022 was as follows:

	Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022
Governmental activities:				
Furniture and fixtures	\$ 173,646	\$ 4,805	\$ -	\$ 178,451
Equipment	54,172	2,287	-	56,459
Building	754,650	-	-	754,650
Building improvements	227,143	3,200	-	230,343
Land	591,995	-	(432,901)	159,094
Land improvements	47,418	-	-	47,418
Software	-	37,000	-	37,000
Total	<u>1,849,024</u>	<u>47,292</u>	<u>(432,901)</u>	<u>1,463,415</u>
Less: accumulated depreciation				
Furniture and fixtures	112,803	16,668	-	129,471
Equipment	25,955	9,065	-	35,020
Building	104,197	19,060	-	123,257
Building improvements	37,573	13,100	-	50,673
Land improvements	15,056	9,483	-	24,539
Software	-	1,233	-	1,233
Total	<u>295,584</u>	<u>68,609</u>	<u>-</u>	<u>364,193</u>
Net capital assets	<u>\$ 1,553,440</u>	<u>\$ (21,317)</u>	<u>\$ (432,901)</u>	<u>\$ 1,099,222</u>

Depreciation charged to governmental function totaled \$68,609 for the year ended June 30, 2022.

NOTE 5 LEASE REVENUE

The District leases land to individuals and businesses under noncancelable operating leases with terms of one to thirty years. The following is a schedule, by year, of future minimum rentals under the leases as of June 30, 2022:

Fiscal Year Ending June 30,	Amount
2023	\$ 195,076
2024	195,076
2025	195,076
2026	195,076
2027	195,076
Thereafter	<u>390,152</u>
Total	<u>\$ 1,365,532</u>

ST. LANDRY PARISH ECONOMIC DEVELOPMENT DISTRICT

Notes to Basic Financial Statements

NOTE 6 INTERGOVERNMENTAL REVENUE

The District receives a portion of Racino funds collected in St. Landry Parish. These funds are allocated by Louisiana State Statute. The amount of Racino revenue earned by the District totaled \$121,614 for the year ended June 30, 2022. Racino funds receivable as of June 30, 2022 was \$19,567.

NOTE 7 RETIREMENT PLAN

Plan Description – The St. Landry Parish Economic Development District contributes to a SEP IRA, which is a defined contribution plan, on behalf of the eligible employees. All contributions made under this plan are fully vested and non-forfeitable. The plan may not be amended except to modify entries inserted in blanks or boxes provided in general eligibility requirements, timing of salary reductions elections, procedures for withdrawals and transfers by the designated financial institution, and the plan effective date.

Funding Policy – The St. Landry Parish Economic Development District contributes 12.5% of employees' salaries to the SEP IRA after 6 months of employment. The District's contributions to the SEP IRA during the year ended June 30, 2022 totaled \$27,541.

NOTE 8 SUBSEQUENT EVENT

Management has evaluated subsequent events through December 14, 2022, the date the financial statements were available to be issued.



**REQUIRED SUPPLEMENTARY INFORMATION**

ST. LANDRY PARISH ECONOMIC DEVELOPMENT DISTRICT

Budgetary Comparison Schedule  
 General Fund  
 Year Ended June 30, 2022

	Budget		Actual Amounts	Variance With Final Budget Positive or (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 310,496	\$ 316,147	\$ 356,569	\$ 40,422
Rentals	271,503	261,648	264,221	2,573
Grant revenue	47,079	46,019	22,346	(23,673)
Investment income	19,669	21,880	11,198	(10,682)
Miscellaneous	3,700	1,092	2,685	1,593
Total revenues	<u>652,447</u>	<u>646,786</u>	<u>657,019</u>	<u>10,233</u>
<b>Expenditures:</b>				
Current -				
Contract services	12,000	-	-	-
Advertising & public relations	16,500	20,711	18,080	2,631
Capital outlay	-	-	47,292	(47,292)
Professional fees	67,093	98,877	74,996	23,881
Computer maintenance	24,472	23,808	26,004	(2,196)
Employee benefit program	27,869	27,222	27,541	(319)
Insurance	37,883	34,376	39,143	(4,767)
Utilities	14,579	29,076	28,815	261
Equipment rental	2,005	2,013	1,613	400
Maintenance	43,353	37,707	30,090	7,617
Office expense	18,778	10,396	9,073	1,323
Dues & subscriptions	3,207	3,754	3,073	681
Travel & conferences	15,000	10,727	10,636	91
Meals	2,500	2,091	2,077	14
Payroll tax	19,036	19,506	19,230	276
Miscellaneous	33,000	15,120	-	15,120
Wages	237,954	252,396	252,521	(125)
Total expenditures	<u>575,229</u>	<u>587,780</u>	<u>590,184</u>	<u>(2,404)</u>
Excess of revenues over expenditures	<u>77,218</u>	<u>59,006</u>	<u>66,835</u>	<u>12,637</u>
<b>Other financing sources</b>				
Proceeds from sale of capital assets	-	245,700	245,700	-
Total other financing sources	-	<u>245,700</u>	<u>245,700</u>	-
Net increase (decrease) in fund balance	77,218	304,706	312,535	12,637
Fund balance, beginning of year	<u>2,479,796</u>	<u>2,479,796</u>	<u>2,479,796</u>	<u>2,479,796</u>
Fund balance, end of year	<u>\$2,557,014</u>	<u>\$2,784,502</u>	<u>\$2,792,331</u>	<u>\$ 2,492,433</u>

**ADDITIONAL INFORMATION**

ST. LANDRY PARISH ECONOMIC DEVELOPMENT DISTRICT

Schedule of Compensation, Benefits, and Other Payments to Agency Head  
General Fund  
Year Ended June 30, 2022

**Bill Rodier, Executive Director**

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 137,954
Benefits - retirement	17,202
Reimbursements - travel	7,313
Reimbursements - other	7,205

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*

Board of Commissioners  
St. Landry Parish Economic Development District  
Opelousas, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of St. Landry Parish Economic Development District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise St. Landry Parish Economic Development District's basic financial statements and have issued our report thereon dated December 14, 2022.

### **Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered St. Landry Parish Economic Development District'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of St. Landry Parish Economic Development District's internal control. Accordingly, we do not express an opinion on the effectiveness of St. Landry Parish Economic Development District'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 have not been identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether St. Landry Parish Economic Development District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Darnall, Sikes, & Frederick*

A Corporation of Certified Public Accountants

Eunice, Louisiana  
December 14, 2022

ST. LANDRY PARISH ECONOMIC DEVELOPMENT DISTRICT

Schedule of Findings and Questioned Costs  
Year Ended June 30, 2022

Part I Summary of Auditor's Results

FINANCIAL STATEMENTS

Auditor's Report - Financial Statements

An unmodified opinion has been issued on St. Landry Parish Economic Development District's financial statements as of and for the year ended June 30, 2022.

Deficiencies and Material Weaknesses in Internal Control - Financial Reporting

No deficiencies or material weaknesses in internal control over financial reporting were disclosed during the audit of the financial statements.

Material Noncompliance - Financial Reporting

No instances of material noncompliance were noted during the audit of the financial statements.

FEDERAL AWARDS

This section is not applicable for the fiscal year ended June 30, 2022.

Part II Findings Relating to an Audit in Accordance with *Governmental Auditing Standards*.

There were no deficiencies or material weaknesses in internal control over financial reporting or instances of material noncompliance noted during the audit.

Part III: Findings and Questioned Costs Relating to Federal Programs

At June 30, 2022, the St. Landry Parish Economic Development District did not meet the requirements to have a single audit in accordance with the Uniform Guidance, therefore this section is not applicable.

Part IV: Management Letter

The auditor did not issue a management letter this year.

ST. LANDRY PARISH ECONOMIC DEVELOPMENT DISTRICT

Summary Schedule of Prior Year Findings  
Year Ended June 30, 2022

This section is not applicable for the fiscal year ended June 30, 2022.



ST. LANDRY PARISH ECONOMIC DEVELOPMENT DISTRICT

Management's Corrective Action Plan  
Year Ended June 30, 2022

No current year findings were noted; therefore, no response is necessary.



OTHER LOCATIONS:

Lafayette    Morgan City    Abbeville

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Governing Board of St. Landry Parish Economic Development District 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 July 1, 2021 through June 30, 2022. The District's management is responsible for those C/C areas identified in the SAUPs.

The District 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 July 1, 2021 through June 30, 2022. 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*

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1. Obtain and inspect the entity's written policies and procedures and observe that 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

Written policies and procedures were obtained and do address the functions noted above.

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.

Written policies and procedures were obtained and do address the functions noted above.

c) **Disbursements**, including processing, reviewing, and approving.

Written policies and procedures were obtained and do address the functions noted above.

- 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).

Written policies and procedures were obtained and do address the functions noted above.

- 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.

Written policies and procedures were obtained and do address the functions noted above.

- 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.

Written policies and procedures were obtained and do address the functions noted above.

- 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).

Written policies and procedures were obtained and do address the functions noted above.

- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

Written policies and procedures were obtained and do address the functions noted above.

- 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.

Written policies and procedures were obtained and do address the functions noted above.

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Written policies and procedures were obtained and do address the functions noted above with the exceptions of (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Written policies and procedures were obtained and do address the functions noted above.

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

Written policies and procedures were obtained and do address the functions noted above.

### ***Board or Finance Committee***

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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.  
Observed that the board/finance committee met with a quorum at least monthly in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
  - b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget- to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*  
Observed that the minutes referenced or included monthly budget-to-actual comparisons of the general fund.
  - 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.  
This section is not applicable.

### ***Bank Reconciliations***

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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:  
Obtained a listing of the District's bank accounts for the fiscal period along with management's representation that the listing 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);  
Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date.
  - 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  
Bank reconciliations include evidence that a member of management who does not handle cash, post ledgers, or issue checks have reviewed each bank reconciliation.
  - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

There were no reconciling items that were outstanding for more than 12 months from the statement closing date.

### ***Collections (excluding electronic funds transfers)***

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This section is not applicable. The District has a third party contractor performing all collection functions.

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).
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 that are responsible for cash collections do not share cash drawers/registers.
  - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
  - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
  - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.
6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was enforced during the fiscal period.
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.
  - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
  - c) Trace the deposit slip total to the actual deposit per the bank statement.
  - d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

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

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

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- 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).

Obtained a listing of locations that process payments for the fiscal period along with management's representation that the listing was complete.

- 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.

Obtained written policies and procedures and observed that job duties are properly segregated regarding the functions noted above.

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

Obtained written policies and procedures and observed that job duties are properly segregated regarding the functions noted above.

- 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.

Obtained written policies and procedures and observed that job duties are properly segregated regarding the functions noted above.

- 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.

Obtained written policies and procedures and observed that job duties are properly segregated regarding the functions noted above.

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); should not be reported.]]

- 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:

Obtained the District's non-payroll disbursement population (excluding cards and travel reimbursements) along with management's representation that the population is complete.

- a) Observe that the disbursement matched the related original itemized invoice and that supporting documentation indicates that deliverables included on the invoice were received by the entity.

Observed that the disbursements matched the related original itemized invoice and that supporting documentation indicates that deliverables on the invoice were received by the District.

- b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Observed that the disbursement documentation included evidence of segregation of duties tested.

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

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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.

Obtained 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 along with management's representation that the listing was 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 that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (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.])

Observed evidence that the monthly statement or combined statement and supporting documentation were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.

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

Observed that no finance charges and late fees were assessed on the selected statement.

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 that 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.

Observed that the selected transactions were supported by an original itemized receipt that identifies precisely what was purchased and written documentation of the business/public purpose. No meal charges were selected.

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

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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 along with management's representation that the listing or general ledger is complete.

- a) If reimbursed using a per diem, observe that 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](http://www.gsa.gov)).

None of the selected reimbursements were reimbursed using a per diem rate.

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

Observed that the selected reimbursements were supported by documentation as required by the District's policies.

- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

Observed that the selected reimbursements were supported by documentation of the business/public purpose and other documentation as required by written policy. No meal charges were selected.

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

One of the five reimbursements was not reviewed and approved, in writing, by someone other than the person receiving reimbursement. The other four reimbursements selected were reviewed and approved, in writing, by someone other than the person receiving the reimbursement.

### Contracts

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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:

Obtained 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 along with management's representation that the listing was complete.

- 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.



None of the selected contracts were required to be bid in accordance with the Louisiana Public Bid Law.

- b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

The contracts selected were approved by the governing body/board as required by policy.

- c) If the contract was amended (e.g. change order), observe that 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).

None of the contracts were amended during the fiscal year; therefore, this 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 that the invoice and related payment agreed to the terms and conditions of the contract.

Observed that each selected invoice agreed to the contract terms and that the invoice and related payment agreed to the terms and conditions of the contract.

### ***Payroll and Personnel***

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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.

Obtained a listing of employees employed during the fiscal period along with management's representation that the listing was 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 that 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.)

This is not applicable as the employees are salaried/exempt and, therefore, do not maintain timesheets.

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

This is not applicable as the employees are salaried/exempt and, therefore, do not maintain timesheets.

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

No leave was taken during the pay period.

- d) Observe that the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Observed that the rate paid to the employees agreed to the authorized salary/pay rate found within the personnel file.

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 policy on termination payments. Agree the hours to the employee or officials' cumulate 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.

Management asserted that no employees or officials received termination payments during the fiscal period.

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.

Management provided a listing of the payroll related amounts paid during the fiscal/year end and attests that the required deadlines were met.

### ***Ethics***

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20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above: obtain ethics documentation from management, and:
  - a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

Observed documentation that demonstrated that four of the five employees completed one hour of ethics training during the fiscal period. The fifth employee has until December 31, 2022 to complete their ethics training as per the District's policy.

- b. Observe that 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.

No changes were made to the District's ethics policy during the fiscal year.

### ***Debt Service***

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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 that State Bond Commission approval was obtained for each debt instrument issued.

Management asserted that the District did not issue any bonds/notes and other debt instruments during the fiscal period.

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).

Management asserted that the District did not have any bonds/notes and other debt instruments outstanding at the end of the fiscal period.

### ***Fraud Notice***

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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 asserted that there were no misappropriation of public funds and assets during the fiscal period.

24. 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.

Observed that the District does have the required notice posted on its premises and website.

### ***Information Technology Disaster Recovery/Business Continuity***

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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.

We performed the procedure and discussed the results with management.

- 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.

We performed the procedure and discussed the results with management.

- 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.

## Sexual Harassment

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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 that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

There are only four employees so we obtained sexual harassment training documentation from management for all employees. It was noted that two of the four employees did complete the training during the calendar year. The other two employees have until December 31, 2022 to obtain their training.

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

Observed that the entity has posted its sexual harassment policy and complaint procedure on its website.

28. Obtain the entity’s annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that 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;

Observed that the report included the requirement as stated above.

- b. Number of sexual harassment complaints received by the agency;

Observed that the report included the requirement as stated above.

- c. Number of complaints which resulted in a finding that sexual harassment occurred;

Observed that the report included the requirement as stated above.

- d. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

Observed that the report included the requirement as stated above.

- e. Amount of time it took to resolve each complaint.

Observed that the report included the requirement as stated above.

We were engaged by the District 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 District 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.

*Darnall, Sikes & Frederick*

A Corporation of Certified Public Accountants

Eunice, Louisiana

December 14, 2022



St. Landry Parish Economic Development  
5367 I-49 S. Service Rd.  
Opelousas, Louisiana 70570  
Phone: (337) 948-1391 Fax: (337) 407-2283  
[www.opportunitystlandry.com](http://www.opportunitystlandry.com)

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December 14, 2022

Darnall, Sikes, & Frederick  
A Corporation of Certified Public Accountants  
Eunice, Louisiana

The following is management's response to the 2022 AUP report submitted for the St Landry Parish Economic Development District.

Written Policies and Procedures

1. j) Debt Service: continuing disclosure/EMMA reporting requirements, debt reserve requirements, and debt service requirements

Response: Policies and procedures will developed to cover these areas for the upcoming year end.

Travel

14. d) One of the five reimbursements was not reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Response: Policies and procedures have been implemented subsequent to the selected reimbursement to insure that someone other than the recipient is reviewing and approving the reimbursement.