

City of Alexandria, Louisiana

FTA Agreed-Upon Procedures Report

Fiscal Period May 1, 2018 through April 30, 2019

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Honorable Jeffrey Hall, Mayor
and Members of the City of Alexandria Council,
and the Federal Transit Administration

We have performed the procedures enumerated below, on the application of the requirements of the Federal Transit Administration (FTA) as set forth in its applicable National Transit Database (NTD) Uniform System of Accounts (USOA) by the City of Alexandria, Louisiana (the Organization) for the fiscal year ended April 30, 2019. Such procedures, which were agreed to by the management of the Organization and the FTA, were performed to assist the Organization and FTA in determining conformance with USOA requirements based on the following assertion by the Organization's management:

The accounting system from which the NTD reports for the year ended April 30, 2019 were derived, uses the accrual basis of accounting and is directly translated, using a clear audit trail, to the accounting treatment and categories specified by the USOA.

The Organization's management is responsible for conformance with the requirements described above. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The agreed-upon procedures and associated findings are as follows:

1. Procedure: NTD Crosswalk

- a. Obtain the Reduced Reporter Form RR-20 prepared by management for the year ended April 30, 2019.
- b. Obtain the reconciliation documentation management prepares (referred to as "the crosswalk" throughout this report) to reconcile the chart of accounts, general ledger, and/or trial balance and other supporting documents such as Excel spreadsheets (collectively referred to as the accounting system) to Form RR-20.

- c. Inquire of management as to whether the crosswalk obtained in procedure 1.b is supported by the accounting system.
- d. For a transit agency that is part of a larger reporting entity, inquire of management as to whether the crosswalk includes the full cost of providing transit service, including costs incurred by the larger reporting entity to specifically support the agency's transit service.
- e. Inspect the crosswalk to determine that it incorporates NTD reporting using the applicable mode(s) and types of service identified in Form RR-20.

Findings:

No exceptions were found as a result of this procedure.

2. Procedure: Accrual Accounting

- a. Obtain the most recent audited financial statements that include the transit agency and inspect the notes to the financial statements to determine whether the accrual basis of accounting was used.
- b. Inquire of management as to whether the accrual basis of accounting has continued to be used since the last audited reporting period and that it is used for NTD reporting in the current period.
- c. If the notes to the financial statements indicate that an accrual basis of accounting is not being used, or the results of the inquiry to management in procedure 2.b indicate the accrual basis of accounting is not being used in the current period, inspect the crosswalk to determine that the transit agency made adjustments to convert to an accrual basis for NTD reporting.

Findings:

No exceptions were found as a result of this procedure.

3. Procedure: Sources of Revenue Expended

- a. Trace and agree the two largest directly generated fund passenger fare revenue modes (all service types) from Form RR-20 to the accounting system.
- b. Trace and agree the largest source of funds expended (other than passenger fares) in the following major categories of funds from Form RR-20 to the accounting system: (1) Other Directly Generated Funds; (2) Revenue Accrued Through a PT Agreement; (3) Non-Federal Funds; and (4) Federal Funds.

- c. For each of the largest source of funds expended in 3b, inspect the crosswalk to determine that it identifies, evaluates, and classifies financial transactions into categories of funds expended on operations and funds expended on capital (USOA Section 2) for the reporting year.

Findings:

Procedure 3a. We were unable to trace the two largest generated fund passenger fare revenue modes from RR-20 to the accounting system.

Procedure 3b. Items (1) and (2) were not applicable, as the RR-20 did not have funds expended in these categories. Item (3), we were unable to trace the largest source of funds expended from the RR-20 to the accounting system. Item (4) no exceptions were noted.

Procedure 3c. no exceptions noted.

4. Procedure: Funds Expended

- a. Trace and agree the aggregate of total funds expended for operations and total funds expended for capital from Form RR-20 to the accounting system using the crosswalk or other written expense documentation.
- b. For the two largest modes/type of services, trace and agree funds expended on operations and funds expended on capital from Form RR-20 to the crosswalk or other written documentation of functional expenses.

Findings:

Procedure 4a. We were unable to trace and agree the aggregate of total funds expended for operations and capital from Form RR-20 to the accounting system

Procedure 4b. We were unable to trace and agree funds expended for operations and capital from Form RR-20 to the accounting system.

Management's Response:

Management of the City of Alexandria, Louisiana concurs with the exceptions and is working to address the deficiencies identified.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable *Government Auditing Standards*. We were not engaged to, and did not, conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Organization's conformance with the requirements described above, for the year ended April 30, 2019. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures; other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management of the Organization and the FTA and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
February 25, 2020