Terrebonne Parish Recreation District No. 9
Houma, Louisiana

Annual Financial Report
Year Ended December 31, 2025

Terrebonne Parish Recreation District No. 9
Annual Financial Report
Year Ended December 31, 2025

Table of Contents

Martin
and
Pellegrin

Certified public Accountants
(A Professional Corporation)

103 Ramey Road
Houma, Louisiana 70360

Ph. (985) 851-3638
Fax (985) 851-3951

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Terrebonne Parish Recreation District No. 9
Houma, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the governmental activities and each major fund of the Terrebonne Parish Recreation District No. 9 (the District), a component unit of the Terrebonne Parish Consolidated Government, as of and for the year ended December 31, 2025, 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 accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of December 31, 2025, 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 Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement issuance 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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS 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 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 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 Supplemental Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 7 and the budgetary comparison schedule on page 27 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The Schedule of Compensation, Benefits, and Other Payments to District Director on page 28 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Schedule of Compensation, Benefits, and Other Payments to District Director 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 District Director is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 13, 2026, on our consideration of the 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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Martin and Pellegrin

Houma, Louisiana
May 13, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

Terrebonne Parish Recreation District No. 9
Terrebonne Parish Consolidated Government
Management's Discussion and Analysis
Year Ended December 31, 2025

As management of the Terrebonne Parish Recreation District No. 9 (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the year ended December 31, 2025.

FINANCIAL HIGHLIGHTS

- The District's assets exceeded its liabilities at the close of the fiscal year 2025 by $3,716,130 (net position), which represents a 3.7% decrease from the last fiscal year.

- The District's revenues increased $63,021 (or 6.1%) primarily due to the increase in charges for services.

- The District's expenses increased $39,757 (or 3.3%) primarily due to the increases in personnel services and other services and charges.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis serves as an introduction to the District's financial statements. The Terrebonne Parish Recreation District No. 9's financial statements consist of following:

Statement of Net Position. This statement combines and consolidates the governmental fund's current financial resources (short-term spendable resources) with capital assets and long-term obligations, regardless if they are currently available or not.

Statement of Activities. Consistent with the full accrual basis method of accounting, this statement accounts for the entity-wide current year revenues and expenses regardless of when cash is received or paid.

Balance Sheet – Governmental Fund – General Fund. This statement presents the District's assets, liabilities, deferred inflows of resources, and fund balance for its general fund only.

Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Fund Type – General Fund. Consistent with the modified accrual basis method of accounting, this statement accounts for current year revenues when received except when they are measurable and available. Expenditures are accounted for in the period that goods and services are used in the government's activities. In addition, capital asset purchases are expensed and not recorded as an asset. The statement also exhibits the relationship of revenues and expenditures with the change in fund balance.

OVERVIEW OF THE FINANCIAL STATEMENTS (Cont.)

Notes to Financial Statements. The accompanying notes provide additional information essential to a full understanding of the data provided in the basic financial statements.

BASIC FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of an entity's financial position. The District's net position was $3,716,130 at December 31, 2025. The largest portion of the District's total assets, $3,246,645 or 73.1%, relates to capital assets.

Condensed Statement of Net Position

	2025	2024	Dollar Change	Percent Change
Current and other assets	$ 1,193,695	$ 1,124,043	$ 69,652	6.2%
Capital assets	3,246,645	3,425,346	(178,701)	-5.2%
Total assets	4,440,340	4,549,389	(109,049)	-2.4%
Current liabilities	11,571	9,237	2,334	25.3%
Deferred inflows of resources	712,639	681,865	30,774	4.5%
Total liabilities and deferred inflows of resources	724,210	691,102	33,108	4.8%
Net investment in capital assets	3,246,645	3,425,346	(178,701)	-5.2%
Unrestricted	469,485	432,941	36,544	8.4%
Total net position	$ 3,716,130	$ 3,858,287	$ (142,157)	-3.7%

During the year, the District's net position decreased by $142,157. The elements of the decrease are as follows:

Condensed Statement of Activities

	2025	2024	Dollar Change	Percent Change
Program revenues:				
Charges for services	$ 353,718	$ 268,014	$ 85,704	32.0%
General revenues:				
Taxes	677,627	682,143	(4,516)	-0.7%
Intergovernmental	24,597	25,479	(882)	-3.5%
Other	35,420	52,705	(17,285)	-32.8%
Total revenues	1,091,362	1,028,341	63,021	6.1%
General government	39,752	33,633	6,119	18.2%
Culture and recreation	1,193,767	1,160,129	33,638	2.9%
Total expenses	1,233,519	1,193,762	39,757	3.3%
Change in net position	(142,157)	(165,421)	23,264	-14.1%
Net position:				
Beginning of the year	3,858,287	4,023,708	(165,421)	-4.1%
End of the year	$ 3,716,130	$ 3,858,287	$ (142,157)	-3.7%

As indicated above, net position decreased by $142,157. The decrease in net position is mainly attributed to the increases in personnel services and other services and charges.

CAPITAL ASSETS

The District's net investment in capital assets for its governmental activities as of December 31, 2025, amounts to $3,246,645. The net investment in capital assets includes land, construction in progress, buildings and improvements, machinery and equipment, and office furniture, fixtures, and equipment, as follows:

	2025	2024
Land	$ 618,711	$ 618,711
Construction in progress	16,746	-
Buildings and improvements	4,950,232	4,941,349
Machinery and equipment	538,135	508,536
Office furniture, fixtures, and equipment	26,098	26,098
Total capital assets	6,149,922	6,094,694
Less accumulated depreciation	(2,903,277)	(2,669,348)
Total capital assets, net	$ 3,246,645	$ 3,425,346

Depreciation expense for the year ended December 31, 2025 is $233,929. Capital additions during the year totaled $55,228, primarily related to drainage improvements, equipment purchases, and ongoing construction associated with a pavilion for the District's sno-ball stand operations. There were no capital asset disposals.

BUDGET

The District amended its budget twice during the fiscal year. The budget for revenues was $1,070,898, and the budget for expenditures was $1,042,778.

The District's actual revenues were more than the budgeted revenues by $20,464, a favorable variance of 1.91%. The District's actual expenditures were more than the budgeted expenditures by $3,033, an unfavorable variance of 0.29%.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with such an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Board of Directors of Terrebonne Parish Recreation District No. 9, 107 Verret Street, Houma, Louisiana 70360.

FINANCIAL STATEMENTS

Terrebonne Parish Recreation District No. 9
Statement of Net Position
December 31, 2025

Assets	
Cash and cash equivalents	$ 518,405
Taxes receivable	69,346
Due from other governmental units	561,951
Prepaid insurance	43,993
Total Current Assets	1,193,695
Capital assets, nondepreciable	635,457
Capital assets, depreciable, net	2,611,188
Total Non-Current Assets	3,246,645
Total Assets	4,440,340
Liabilities	
Accounts payable and accrued expenses	11,571
Deferred Inflows of Resources	
Ad valorem taxes revenue	688,117
State revenue sharing	24,522
Total Deferred Inflows of Resources	712,639
Net Position	
Net investment in capital assets	3,246,645
Unrestricted	469,485
Total Net Position	$ 3,716,130

See accompanying notes.

Terrebonne Parish Recreation District No. 9
Statement of Activities
Year Ended December 31, 2025

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants & Contributions	Net Revenue (Expense) and Change in Net Position
GOVERNMENTAL ACTIVITIES				
General government	$ 39,752	$ -	$ -	$ (39,752)
Culture and recreation	1,193,767	353,718	-	(840,049)
Total governmental activities	$ 1,233,519	$ 353,718	$ -	(879,801)
GENERAL REVENUES				
Ad valorem taxes				677,627
Intergovernmental - state revenue sharing				24,597
Investments earnings				25,720
Other				9,700
Total general revenues				737,644
DECREASE IN NET POSITION				(142,157)
NET POSITION, BEGINNING				3,858,287
NET POSITION, ENDING				$ 3,716,130

See accompanying notes.

Terrebonne Parish Recreation District No. 9
Balance Sheet
Governmental Fund Type – General Fund
December 31, 2025

Assets	
Cash and cash equivalents	$ 518,405
Taxes receivable	69,346
Due from other governmental units	561,951
Total Current Assets	$ 1,149,702
Liabilities	
Accounts payable and accrued expenditures	11,571
Deferred Inflows of Resources	
Ad valorem taxes revenue	688,117
State revenue sharing	24,522
Total Deferred Inflows of Resources	712,639
Fund Balance	
Unassigned	425,492
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 1,149,702

See accompanying notes.

Terrebonne Parish Recreation District No. 9
Statement of Revenues, Expenditures and
Changes in Fund Balance
Governmental Fund Type - General Fund
Year Ended December 31, 2025

Revenues	
Taxes	$ 677,627
Intergovernmental:	
State of Louisiana revenue sharing	24,597
Charges for services	353,718
Miscellaneous:	
Investments earnings	25,720
Other	9,700
Total Revenues	1,091,362
Expenditures	
Current:	
General government:	
Ad valorem tax adjustment	16,629
Ad valorem tax deductions	23,123
Total general government	39,752
Culture and recreation:	
Personnel services	551,466
Other services and charges	279,629
Repairs and maintenance	81,939
Supplies and materials	37,797
Total culture and recreation	950,831
Capital outlay	55,228
Total Expenditures	1,045,811
Change in Fund Balance	45,551
Fund Balance, Beginning	379,941
Fund Balance, Ending	$ 425,492

See accompanying notes.

Terrebonne Parish Recreation District No. 9
Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
December 31, 2025

Fund balance - governmental fund	$ 425,492
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets of $6,149,922 net of accumulated depreciation of $2,903,277 are not financial resources and, therefore, are not reported in the governmental fund.	3,246,645
Other assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund.	
Prepaid insurance	43,993
Net position of governmental activities	$ 3,716,130

See accompanying notes.

Terrebonne Parish Recreation District No. 9
Reconciliation of the Statement of Governmental Fund Revenues,
Expenditures and Changes in Fund Balance to the
Statement of Activities
Year Ended December 31, 2025

Change in fund balance - governmental fund		$ 45,551
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlay items as expenditures whereas in the statement of activities these costs are depreciated over their useful lives.		
Depreciation expense	(233,929)	
Capital outlay	55,228	(178,701)
Prepaid expenses reported in the governmental activities are not financial resources and therefore are not reported in the governmental fund.		
Decrease in prepaid insurance		(9,007)
Change in net position		$ (142,157)

See accompanying notes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Terrebonne Parish Recreation District No. 9 is a governmental entity that owns, operates, and maintains public recreational facilities in Terrebonne Parish, Louisiana.

Because the Terrebonne Parish Consolidated Government appoints the governing board and thusly can impose its will, the Terrebonne Parish Recreation District No. 9 was determined to be a component unit of the Terrebonne Parish Consolidated Government, the governing body of the parish and the governmental body with financial accountability. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the Consolidated Government, the general government services provided by that governmental unit, or the other governmental units that comprise the governmental reporting entity.

The accounting policies of the District conform to accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of significant accounting policies:

A. REPORTING ENTITY

The District is a component unit of Terrebonne Parish Consolidated Government (the Parish) and as such, these financial statements will be included in the annual comprehensive financial report of the Parish for the year ended December 31, 2025. The District has reviewed all of its activities and determined that there are no potential component units that should be included in its financial statements.

B. BASIS OF PRESENTATION

GASB statements establish standards for external financial reporting for all state and local governmental entities which includes a statement of net position and a statement of activities. It requires the classification of net position into three components – net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

Net investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation and reduced by the balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Restricted – This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – This component of net position consists of net position that does not meet the definition of restricted or net investment in capital assets.

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the District considers restricted funds to have been spent first.

GASB statements enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied. It establishes fund balance classifications that comprise hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. These classifications are defined as follows:

Nonspendable – This component of fund balance includes amounts that cannot be spent due to form, including inventories and prepaid amounts. Also included are amounts that must be maintained intact legally or contractually.

Restricted – This component of fund balance includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed – This component of fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board of Commissioners must vote on commitments.

Assigned – This component of fund balance is intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. The Board of Commissioners can vote on applicable assigned amounts.

Unassigned – This component of fund balance is the residual classification for the District's general fund and includes all spendable amounts not contained in the other classifications.

Stabilization Funds – This component of fund balance covers such things as revenue shortfalls, emergencies, or other purposes. The authority to set aside resources often comes from a statute, ordinance, or constitution.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Commissioners have provided otherwise in its commitment or assignment actions.

The District's basic financial statements consist of the government-wide statements on all activities of the District and the governmental fund financial statements.

Government-wide Financial Statements:

The government-wide financial statements include the Statement of Net Position and the Statement of Activities for all activities of the District. The government-wide presentation focuses primarily on the sustainability of the District as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange revenues.

Fund Financial Statements:

The daily accounts and operations of the District are organized on the basis of a fund and accounts groups, each of which is considered a separate accounting entity. The operations of the fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures. Government resources are allocated to and accounted for in the fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The following is the Governmental Fund of the District:

General Fund – The General Fund is the general 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.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Government-wide Financial Statements:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized in the year for which they are levied.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Fund Financial Statements:

All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets. Governmental funds are maintained on the modified accrual basis of accounting.

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Ad valorem taxes and the related state revenue sharing (intergovernmental revenue) are recognized as revenue in the period for which levied, thus the 2025 property taxes which are being levied to finance the 2026 budget will be recognized as revenue in 2026. The 2025 tax levy is recorded as deferred inflows of resources in the District's 2025 financial statements.

Charges for services are recorded when earned since they are measurable and available. Miscellaneous revenues are recorded as revenues when received in cash by the District because they are generally not measurable until actually received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Allocations of cost such as depreciation are not recognized in the governmental funds.

D. DEPOSITS AND INVESTMENTS

Cash and cash equivalents are considered to be cash on hand, interest-bearing demand deposits, and short-term investments (usually time certificates of deposit), including investments in the Louisiana Asset Management Pool (LAMP). All of these cited instruments are considered cash equivalents, as long as their original maturities are of three months or less from the date of acquisition.

E. ACCOUNTS RECEIVABLE

The financial statements for the District contain no allowance for uncollectible accounts. Uncollectible amounts due for ad valorem taxes and other receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operations of the funds.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

F. PREPAID INSURANCE

The District has recorded prepaid insurance in its government-wide financial statements. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

G. CAPITAL ASSETS

The accounting treatment over property, plant and equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements.

Government-wide Financial Statements:

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets purchased or acquired with an original cost of $400 or more and a useful life greater than one year are valued at historical cost, or estimated historical cost if actual cost is unavailable. Donated assets are valued at acquisition value on the date donated. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

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 over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of assets is as follows:

Buildings and improvements	15 - 40 years
Machinery and equipment	5 - 20 years
Office furniture, fixtures, and equipment	5 - 12 years

Fund Financial Statements:

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.

H. DEFERRED INFLOWS OF RESOURCES

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and as such will not be recognized as an inflow of resources until that time. The governmental fund reports unavailable revenues from property taxes. These amounts are deferred and recognized

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

as an inflow of resources in the period that the amounts become available. The District reports unavailable revenue when resources associated with imposed non-exchange revenue transactions are received or reported as a receivable before (a) the period for which property taxes are levied or (b) the period when resources are required to be used or when use is first permitted for all other imposed non-exchange revenues in which enabling legislation includes time requirements.

I. OPERATING BUDGETARY DATA

As required by the Louisiana Revised Statutes 39:1303, the Board of Commissioners (the Board) adopted a budget for the District's General Fund. The budgetary practices include public notice of the proposed budget, public inspection of the proposed budget, and a public hearing on the budget prior to adoption. Any amendment involving the transfer of monies from one function to another or increases in expenditures must be approved by the Board. The District amended its budget once during the year. All budgeted amounts which are not expended, or obligated through contracts, lapse at year-end.

The General Fund budget is adopted on a basis materially consistent with accounting principles generally accepted in the United States of America. The General Fund budget presentation is included in the required supplementary information to the basic financial statements.

Actual expenditures exceeded budgeted appropriations in the General Fund by $3,033.

J. VACATION AND SICK LEAVE

The District has five full-time employees. Full-time employees are eligible to receive five days of vacation after one year of service and can earn up to a maximum of fifteen vacation days depending on their length of employment. Every full-time employee is also eligible for five sick days each year beginning on their employment date. Vacation and sick days are not due to employees upon termination or death and earned, but unused, days do not carry over from one year to the next. Vacation and sick leave days are based on a policy of use or lose by December 31st each year. Accordingly, management has determined accumulated unpaid vacation as of December 31, 2025 is not material to the financial statements.

K. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. The District's primary estimates are the useful lives of its capital assets.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

L. RECENT ACCOUNTING PRONOUNCEMENTS

The following is a summary of accounting standards adopted by the Governmental Accounting Standards Board (GASB) that are scheduled to be implemented in the future that may affect the District's financial report:

GASB Statement No. 103, *Financial Reporting Model Improvements.* The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. This standard is effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. The effect of implementation on the District's financial statements has not yet been determined.

GASB Statement No. 104, *Disclosure of Certain Capital Assets.* The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This standard is effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. The effect of implementation on the District's financial statements has not yet been determined.

GASB Statement No. 105, *Subsequent Events.* The objective of this Statement is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. This standard is effective for fiscal years beginning after June 15, 2026, and all reporting periods thereafter. The effect of implementation on the District's financial statements has not yet been determined.

NOTE 2 – DEPOSITS AND INVESTMENTS

Bank Deposits:

Under state law, the District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of another state in the Union, or the laws of the United States. State law requires that deposits (cash and certificates of deposits) of all political subdivisions be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana, and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision. The year-end balance of deposits is as follows:

NOTE 2 – DEPOSITS AND INVESTMENTS (Cont.)

	Bank Balance	Reported Amount
Cash and cash equivalents	$ 145,432	$ 142,935

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. As of December 31, 2025, none of the District's deposits were exposed to credit risk as these deposits were insured in accordance with state law by FDIC coverage.

Investments:

State statutes authorize the District to invest in the U.S. Treasury, agencies and instrumentalities; commercial paper rated AAA 1, 2, or 3; repurchase agreements and the Louisiana Asset Management Pool.

As a means of limiting its exposure to fair value losses arising from interest rates, the District's investment policy limits investments to securities maturing less than six months from the date of purchase unless the investment is matched to a specific cash flow.

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's investment policy requires the application of the prudent-person rule. The policy states, *investments shall be made with the judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.* Primary emphasis shall be placed upon the safety of such funds in an effort to minimize risk while earning maximum returns. The District's investment policy limits investments to those discussed earlier in this note.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments in external investment pools are not exposed to custodial credit risk because of their natural diversification and the diversification required by Securities and Exchange Commission.

LAMP, is administered by LAMP, Inc., a non-profit corporation organized under the laws of State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA – R.S. 33:2955.

GASB Statement No. 40 Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk interest rate risk, and foreign

NOTE 2 – DEPOSITS AND INVESTMENTS (Cont.)

currency risk for all public entity investments.

LAMP is an investment pool that, to the extent practical, invests in a manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools:

- Credit risk: LAMP is rated AAAm by Standard & Poor's.
- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.
- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consist of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investments is 73 days as of December 31, 2025.
- Foreign currency risk: Not applicable.

The investment in LAMP is stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares. Investment in LAMP as of December 31, 2025 amounted to $375,470 and is classified on the Statement of Net Position as "Cash and Cash Equivalents".

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

A reconciliation of deposits and investments as shown on the statement of net position follows:

Reported amount of deposits	$	142,935
Reported amount of investments		375,470
Total	$	518,405

NOTE 2 – DEPOSITS AND INVESTMENTS (Cont.)

Cash	$	518,405
Investments		-
Total	$	518,405

NOTE 3 – DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units as of December 31, 2025 consisted of the following:

Terrebonne Parish Tax Collector - December 2025/		
Collections remitted to the District in January 2026:		
Ad valorem taxes	$	537,429
State revenue sharing		8,174
State of Louisiana - State revenue sharing		16,348
	$	561,951

NOTE 4 – CHANGES IN CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2025 was as follows:

	Balance December 31, 2024	Additions	Deletions	Balance December 31, 2025
Capital assets, not being depreciated:				
Land	$ 618,711	$ -	$ -	$ 618,711
Construction in progress	-	16,746	-	16,746
Total assets not being depreciated	618,711	16,746	-	635,457
Capital assets, being depreciated:				
Buildings and improvements	4,941,349	8,883	-	4,950,232
Machinery and equipment	508,536	29,599	-	538,135
Office, furniture, fixtures, and equipment	26,098	-	-	26,098
Total assets being depreciated	5,475,983	38,482	-	5,514,465

NOTE 4 – CHANGES IN CAPITAL ASSETS (Cont.)

Less: Accumulated depreciation				
Buildings and improvements	(2,247,346)	(210,718)	-	(2,458,064)
Machinery and equipment	(403,406)	(21,699)	-	(425,105)
Office, furniture, fixtures, and equipment	(18,596)	(1,512)	-	(20,108)
Total accumulated depreciation	(2,669,348)	(233,929)	-	(2,903,277)
Total capital assets, being depreciated, net	2,806,635	(195,447)	-	2,611,188
Total capital assets, net	$ 3,425,346	$ (178,701)	$ -	$ 3,246,645

Depreciation expense of $233,929 was recorded as a culture and recreation expense for the year ended December 31, 2025.

During the year ended December 31, 2025, the District awarded and executed a contract for $77,499 for the construction of a pavilion for a sno-ball stand. Costs incurred in the project are included in construction in progress in the schedule above. As of December 31, 2025, the District is committed to $60,753 of additional outlay for the above-mentioned construction contract.

NOTE 5 – PROPERTY TAXES

Property taxes are levied each November 1 on the assessed value listed as of the prior January 1 for all real property, merchandise and movable property located in the parish. Assessed values are established by the Terrebonne Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana law. A reevaluation of all property is required to be completed no less than every four years. A reevaluation was completed for the list as of January 1, 2024. Taxes are due and payable December 31 with interest being charged on payments after January 1. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which the taxes have not been paid are sold for the amount of the taxes. The tax rate for the year ended December 31, 2025 was $14.77 per $1,000 of assessed valuation on property within Recreation District No. 9 for the purpose of constructing, maintaining, and operating recreational facilities within the District. As indicated in Note 1C, taxes levied November 1, 2025 are for budgeted expenditures in 2026 and will be recognized as revenues in 2026.

NOTE 6 – RISK MANAGEMENT

The District is exposed to various risks of loss related to workers' compensation; torts; theft of, damage to and destruction of assets; errors and omission; and natural disasters for which the District carries commercial insurance and also participates in the Parish's risk management program for general liability, workers' compensation, and group insurance. No settlements were made during the year that exceeded the District's insurance coverage. The District pays monthly premiums to the Parish for workers' compensation based on a fixed percentage of payroll. The District's premiums for general liability are based on various factors such as its operations and maintenance budget, exposure and claims experience. The premium for group insurance is based on a fixed rate per employee. The Parish handles all claims filed against the District related to workers' compensation and general liability. The District could have additional exposure for claims in excess of the Parish's insurance contracts.

Coverage for general liability, workers' compensation and auto claims in excess of policy limits are to be funded first by assets of the Parish's risk management internal service fund, then secondly by the District. Workers' compensation claims in excess of $850,000 are covered under an insurance contract for claims aggregate up to limits are to be funded first by assets of the Parish's workers' compensation internal service fund. The Parish is self-insured for the first $175,000 of each claim relating to group health. Insurance contracts cover excess liability. As of December 31, 2025, the District had no claims in excess of the above coverage limits. Expenditures for premiums to the parish for insurance coverage during the year ended December 31, 2025 totaled $86,196.

NOTE 7 – EMPLOYEE RETIREMENT PLAN

In March 2018, the District began contributing to a Savings Incentive Match Plan for Employees Individual Retirement, SIMPLE IRA ("Plan"), a defined contribution pension plan, for its full time employees. The Plan is administered by the District.

Benefit terms, including contribution requirements are established and may be amended by the District Board. For each employee, the District contributes 3% of annual salary to the employee's individual retirement account (IRA). The IRAs are the property of the participating employee. The employees are permitted to make contributions up to applicable Internal Revenue Code limits. For the year ended December 31, 2025, the District recognized $5,841 of pension expense.

NOTE 8 – COMPENSATION OF BOARD MEMBERS

The following amounts were paid to commissioners for the year ended December 31, 2025:

Board Member	Number of Meetings Attended	Amount
Janelle Bonvillain	12	$ 300
Robert Lajaunie	12	300
Trey Lottinger	9	225
Willie St. Pierre	9	225
Baylis "Buster" Bergeron	7	175
		$ 1,225

NOTE 9 – SUBSEQUENT EVENTS

Management evaluated subsequent events through May 13, 2026, which is the date the financial statements were available to be issued, and determined that no events occurred which requires disclosure. No events after this date have been evaluated for inclusion in these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Terrebonne Parish Recreation District No. 9
Budgetary Comparison Schedule – General Fund
Year Ended December 31, 2025

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Over/ (Under)
Revenues				
Taxes	$ 680,132	$ 661,000	$ 677,627	$ 16,627
Intergovernmental:				
State of Louisiana revenue sharing	25,500	24,597	24,597	-
Charges for services	279,400	349,601	353,718	4,117
Miscellaneous:				
Investments earnings	33,500	26,000	25,720	(280)
Other	55,700	9,700	9,700	-
Total Revenues	1,074,232	1,070,898	1,091,362	20,464
Expenditures				
Current:				
General government:				
Ad valorem tax adjustment	-	-	16,629	(16,629)
Ad valorem tax deductions	-	-	23,123	(23,123)
Total general government	-	-	39,752	(39,752)
Culture and recreation:				
Personnel services	531,200	542,261	551,466	(9,205)
Other services and charges	278,325	313,817	279,629	34,188
Repairs and maintenance	117,500	98,200	81,939	16,261
Supplies and materials	40,800	38,000	37,797	203
Total culture and recreation	967,825	992,278	950,831	41,447
Capital outlay	17,000	50,500	55,228	(4,728)
Total Expenditures	984,825	1,042,778	1,045,811	(3,033)
Revenues Over Expenditures	89,407	28,120	45,551	17,431
Fund Balance				
Beginning of the year	379,941	379,941	379,941	-
End of year	$ 469,348	$ 408,061	$ 425,492	17,431

See Independent Auditor's Report.

SUPPLEMENTARY INFORMATION

Terrebonne Parish Recreation District No. 9
Schedule of Compensation, Benefits and Other Payments
To District Head
Year Ended December 31, 2025

Agency Head Name: Melissa Hebert, Director

Purpose	Amount
Salary	$61,216
Benefits-insurance	26,618
Benefits-retirement	1,836
Benefits-other	-0-
Car allowance	-0-
Vehicle provided by government	-0-
Per diem	-0-
Reimbursements	-0-
Travel	-0-
Registration fees	-0-
Conference travel	-0-
Continuing professional education fees	-0-
Housing	-0-
Unvouchered expenses	-0-
Special meals	-0-

This schedule is used to satisfy the reporting requirements of R.S.24:513(A)(3)

See Independent Auditor's Report.

REPORT REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Martin and Pellegrin

Certified public Accountants
(A Professional Corporation)

103 Ramey Road
Houma, Louisiana 70360

Ph. (985) 851-3638
Fax (985) 851-3951

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Commissioners
Terrebonne Parish Recreation District No. 9
Houma, 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 government activities and each major fund of Terrebonne Parish Recreation District No. 9 (the District), a component unit of the Terrebonne Parish Consolidated Government, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated May 13, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result 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.

Martin and Pellegrin

Houma, Louisiana
May 13, 2026

Terrebonne Parish Recreation District No. 9
Schedule of Findings and Responses
Year Ended December 31, 2025

Section I – Summary of Auditor's Results

1. The auditor's report expresses an unmodified opinion on the financial statements of Terrebonne Parish Recreation District No. 9.

2. No deficiencies in internal control over financial reporting were noted during the audit of the financial statements.

3. No instances of noncompliance or other matters required to be reported in accordance with *Government Auditing Standards* were noted during the audit of the financial statements.

4. A management letter was not issued.

5. The District did not receive or expend federal funds during the year.

Section II – Financial Statement Findings

No findings related to the Terrebonne Parish Recreation District No. 9, which would be required to be reported in accordance with *Government Auditing Standards*, were noted during the audit.

Section III – Federal Awards

This section is not applicable.

Terrebonne Parish Recreation District No. 9
Management's Corrective Action Plan for Current Year Findings
Year Ended December 31, 2025

Section I – Internal Control and Compliance

This section is not applicable.

Section II – Internal Control and Compliance Material To Federal Awards

This section is not applicable.

Section III – Management Letter

This section is not applicable.

Terrebonne Parish Recreation District No. 9
Schedule of Prior Findings and Responses
Year Ended December 31, 2025

Note: All prior findings relate to the December 31, 2024 audit engagement.

Section I – Internal Control and Compliance Material to the Financial Statements

This section is not applicable.

Section II – Internal Control and Compliance Material to Federal Awards

This section is not applicable.

Section III – Management Letter

This section is not applicable.

STATEWIDE AGREED-UPON PROCEDURES

Martin
and
Pellegrin

Certified public Accountants
(A Professional Corporation)

103 Ramey Road
Houma, Louisiana 70360

Ph. (985) 851-3638
Fax (985) 851-3951

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners
Terrebonne Parish Recreation District No. 9
Houma, Louisiana and
Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2025 through December 31, 2025. Terrebonne Parish Recreation District No. 9's management is responsible for those C/C areas identified in the SAUPs.

Terrebonne Parish Recreation District No. 9 has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2025 through December 31, 2025. 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 described on pages 36-53.

We were engaged by Terrebonne Parish Recreation District No. 9 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 Terrebonne Parish Recreation District No. 9 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.

Martin and Pellegrin

Houma, Louisiana
May 13, 2026

Terrebonne Parish Recreation District No. 9
Houma, Louisiana
Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
Year Ended December 31, 2025

The required procedures and our findings are as follows:

Procedures performed on the District's written policies and procedures:

Written Policies and Procedures

1. Obtain and inspect the District's written policies and procedures and observe that they address each of the following categories and subcategories, as applicable:

   a. Budgeting, including preparing, adopting, monitoring, and amending the budget

      Performance: Obtained and read the written policy for budgeting and found it to contain the requirements included above.
      Exceptions: There were no exceptions noted.
      Management's response: Not applicable.

   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

      Performance: Obtained and read the written policy for purchasing and found it to contain the requirements included above, except for the requirements noted below.
      Exceptions: The policy does not include how vendors are added to the vendor list.
      Management's response: Management will consider adding how vendors are added to the vendor list.

   c. Disbursements, including processing, reviewing, and approving

      Performance: Obtained and read the written policy for disbursements and found it to contain the requirements included above.
      Exceptions: There were no exceptions noted.
      Management's response: Not applicable.

   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

      Performance: Obtained and read the written policy for receipts.
      Exceptions: The District's policy lacks provisions for receiving and recording deposits.
      Management's response: Management will consider adding these provisions to its list of written policies.

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

   Performance: Obtained and read the written policy for payroll and personnel and found it to contain the requirements listed above.
   Exceptions: There were no exceptions noted.
   Management's response: Not applicable.

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

   Performance: Obtained and read the written policy related to contracting and found it to contain the requirements listed above, except for the requirement noted below.
   Exceptions: The policy does not include the approval process.
   Management's response: Management will consider adding the approval process to the contracting policy.

g. Credit Cards (and debit cards, fuel cards, purchase 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

   Performance: Obtained and read the written policy related to credit cards and found it to contain the requirements listed above.
   Exceptions: There were no exceptions noted.
   Management's response: Not applicable.

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

   Performance: Obtained and read the travel and expense reimbursement policy and found it contained all requirements listed above.
   Exceptions: There were no exceptions noted.
   Management's response: Not applicable.

i. Ethics, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy

Performance: Obtained and read the written policy related to ethics and found it to contain the requirements listed above.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

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

   Performance: Obtained and read the written policy related to debt service and found it to contain the requirements listed above.
   Exceptions: There were no exceptions noted.
   Management's response: Not applicable.

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

   Performance: Determined whether the District has a written technology disaster recovery/business continuity policy.
   Exceptions: The District does not have a policy that addresses technology disaster recovery/business continuity.
   Management's response: Management will consider adding this policy to its list of written policies.

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

   Performance: Obtained and read the written policy related to sexual harassment and found it to contain the requirements listed above.
   Exceptions: There were no exceptions noted.
   Management's response: Not applicable.

<u>Board or Finance Committee</u>

2. Obtain and inspect all of 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.

Performance: Determined that the board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

b) Observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund.

Performance: Determined that the minutes referenced or included monthly budget-to-actual comparisons.
Exceptions: No exceptions were noted.
Management's response: Not applicable.

c) 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.

Performance: Determined that the general fund did not have a negative unassigned fund balance.

d) Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Performance: Determined that there were no prior year audit findings.

Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select four additional accounts (or all accounts if less than five). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

Performance: Obtained the listing of bank accounts from management and received management's representation in a separate letter.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

a) Bank reconciliations include evidence that they were prepared within two months of the related statement closing date;

Performance: Determined that randomly selected bank statements were reconciled within two months of the related statement closing date.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

b) Bank reconciliations include written evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within one month of the date the reconciliation was prepared (e.g., initialed and dated or electronically logged)

Performance: Inspected documentation for management approvals of each randomly selected bank reconciliation.
Exceptions: Management signed each bank reconciliation but did not date the approval.
Management's response: Management will begin to mark the date of review of bank reconciliations.

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.

Performance: Determined that there were no items outstanding for more than 12 months on the bank reconciliations selected for testing.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

<u>Collections</u>

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders are prepared and management's representation that the listing is complete. Randomly select five deposit sites (or all deposit sites if less than five).

Performance: Obtained a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders are prepared and management's representation that the listing is complete.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

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, obtain and inspect written policies and procedures relating to employee 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.

Performance: Observed whether employees responsible for cash collections share cash drawers/registers.
Exceptions: Employees responsible for cash collections share cash drawers/registers.
Management's response: Management will consider requiring employees to use separate 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 to the deposit.

Performance: Observed that employees responsible for cash collections are not responsible for making deposits unless another employee/official is responsible for reconciling collection documentation to the deposit.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

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.

Performance: Observed that employees responsible for cash collections are 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.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

d) The employee responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source, is not responsible for collecting cash, unless another employee/official verifies the reconciliation.

Performance: Observed that employees responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source, is not responsible for collecting cash, unless another employee/official verifies the reconciliation.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

6. Observe 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 in force during the fiscal period.

Performance: Observed a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observed that the bond or insurance policy for theft was in force during the fiscal period.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

7. Randomly select two deposit dates for each of the bank accounts selected for procedure #3 under "Bank Reconciliations" above. Obtain supporting documentation for each of the 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.

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

Performance: Performed procedures 7a through 7e above.
Exceptions: Certain deposits were not made within one business day of receipt.
Management's response: Management will consider making deposits within one business day of receipt.

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

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select five locations (or all locations if less than five).

Performance: Obtained a listing of locations that processed payments for the fiscal period from management and received management's representation in a separate letter. Determined that only one location processed payments.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

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, 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.

Performance: Obtained a listing of those employees involved with non-payroll purchasing and payment functions along with written policies and procedures for those functions to determine if there was a proper segregation of duties for initiating, approving, and making purchases.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

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

Performance: Obtained a listing of those employees involved with non-payroll purchasing and payment functions along with written policies and procedures for those functions to determine if there was a proper segregation of duties for processing and approving payments to vendors.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

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.

Performance: Inspected policy manual and inquired of management as to separation of duties related to vendor files.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

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.

Performance: Inquired of management to determine if the employee responsible for processing payments mails those respective payments.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

e) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse

(ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

Performance: Inquired of management to determine whether release of electronic disbursements are appropriately authorized.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

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 five disbursements for each location, obtain supporting documentation for each transaction and:

Performance: Obtained the completed general ledger for the fiscal period and obtained management's representations in a separate letter. Randomly selected five disbursements using a random number generator for check numbers to test the requirements below.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

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.

Performance: Determined that the five random disbursements matched their respective original invoices and that the invoices indicate that deliverables were received by the entity.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

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

Performance: Determined whether the documentation for the five random disbursements gave evidence of the segregation of duties tested under #9 above.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

11. Using the entity's main operating accounts and the month selected in Bank Reconciliations procedure #3, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the

required number of authorized signers per the entity's policy.

Performance: Determined whether the five random electronic disbursements were properly approved.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)

12. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase 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.

Performance: Obtained from management a listing of all active cards for the fiscal period and management's representation that the listing is complete in a separate letter.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

13. Using the listing prepared by management, randomly select five cards (or all cards if less than five) 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 was reviewed and approved, in writing, by someone other than the authorized card holder.

Performance: Observed that there was evidence of proper monthly statement and supporting documentation review and approval.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

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

Performance: Viewed selected statements to determine if any finance charges or late fees were applied to balances.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

14. Using the monthly statements or combined statements selected under #13 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.

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.

Performance: Determined that all transactions from the statement tested were supported by the documentation required above.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

15. Using the list of terminated employees obtained in Payroll and Personnel procedure #20, identify those individuals who had access to cards and randomly select 5 terminated employees (or all terminated employees with card access if less than 5) from this population. Observe evidence that the cards have been deactivated for these terminated employees. In cases where a card is shared by multiple users, obtain evidence that the terminated employees' authorization has been removed.

Performance: Determined that no terminated employee had card access.
Exceptions: Not applicable.
Management's response: Not applicable.

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

16. 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 five reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the five reimbursements selected:

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 (doa.la.gov/doa/ost/ppm-49-travel-guide/) or the U.S. General Services Administration (www.gsa.gov).

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

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

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

Performance: Determined that procedure #16 could be excluded as the District did not have any reimbursed travel expenses during the fiscal year.

Contracts

17. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Obtain management's representation that the listing is complete. Randomly select five contracts (or all contracts if less than five) from the listing, excluding the practitioner's contract, and:

    Performance: Observed the listing of contracts in effect during the fiscal year from management and received management's representation of completeness in a separate letter.
    Exceptions: There were no exceptions noted.
    Management's response: Not applicable.

    a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law, if required by law.

        Performance: Determined that, due to contract amounts or nature of service, the District did not have to comply with the Public Bid Law for any of the selected contracts in place.
        Exceptions: There were no exceptions noted.
        Management's response: Not applicable.

    b) Observe that the contract was approved by the governing body/board, if required by policy or law.

        Performance: Determined that the selected contracts were approved by the board.
        Exceptions: There were no exceptions noted.
        Management's response: Not applicable.

    c) If the contract was amended, observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms.

        Performance: Determined that none of the selected contracts included amendments to the original contracts and that all were in compliance with the original contract terms.
        Exceptions: There were no exceptions noted.
        Management's response: Not applicable.

    d) Randomly select one payment from the fiscal period for each of the five 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.

Performance: Inspected the randomly selected payment and compared to the written contract information to determine that the invoice and related payment complied with the terms of the contract.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

Payroll and Personnel

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

Performance: Observed the listing of employees and received management's representation of completeness in a separate letter.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

19. Randomly select one pay period during the fiscal period. For the employees selected under #18 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.

Performance: Determined that all selected employees documented their daily attendance and leave for the selected pay period.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

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

Performance: Determined that the attendance and leave of each employee for the selected pay period was approved by each employee's respective supervisor.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

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

Performance: Observed that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

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

Performance: Observed that the rate paid to the employees agreed to the authorized salary/pay rate.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

20. 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.

Performance: Determined that the District did not have any terminated employees during the fiscal period that received termination payments.
Exceptions: Not applicable.
Management's response: Not applicable.

21. Obtain management's representation that employer and employee portions of third-party payroll-related amounts have been paid, and any associated forms have been filed, by required deadlines.

Performance: Determined that the District paid and filed payroll-related obligations in a timely manner.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

Ethics

22. Using the employees from procedure #18 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 as required by R.S. 42:1170.

Performance: Observed the ethics course completion certificates for the

employees/officials tested.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

b) Observe that the entity maintains documentation which demonstrates each employee and official was notified of any changes to the entity's policy during the fiscal period, as applicable.

Performance: Determined that there were no changes to the ethics policy during the fiscal period.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

23. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Performance: Inquired as to whether the agency has appointed an ethics designee as required by R.S. 42:1170.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

Debt Service

24. 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 as required by Article VII, Section 8 of the Louisiana Constitution.

25. 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.

Performance: As the District does not have any debt, determined that procedures 24 and 25 were not applicable.

Fraud Notice

26. 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 as required by R.S. 24:523.

Performance: Inquired of management of any misappropriations of public funds or assets and determined that none were noted.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

27. 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.

Performance: Observed such notice posted on the premises.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

Information Technology Disaster Recovery/Business Continuity

28. 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 (1) occurred within the past week, (2) was not stored on the government's local server or network, and (3) was encrypted.

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 three 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 five computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting software in use are currently supported by the vendor.

29. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #20. Observe evidence that the selected terminated employees have been removed or disabled from the network.

30. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #18, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the employees/officials with access to the agency's information technology assets have completed cybersecurity

training as required by R.S. 42:1267. The requirements are as follows:

a) Hired before June 9, 2020 - completed the training; and
b) Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment

Performance: We performed the procedures and discussed the results with management of the District.

Prevention of Sexual Harassment

31. Using the randomly selected employees/officials from procedure #18 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 fiscal year as required by R.S. 42:343.

Performance: Observed the sexual harassment course completion certificates for the five employees/officials tested.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

32. 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.

Performance: Observed the District's sexual harassment policy and complaint procedure posted on the premises.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

33. 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;

b) Number of sexual harassment complaints received by the District;

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

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

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

Performance: Requested and reviewed the District's annual sexual harassment report.
Exceptions: The District did not prepare a sexual harassment report for the fiscal year.
Management's response: This was an oversight and will be corrected going forward.