
ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

CONSOLIDATED FINANCIAL REPORT

DECEMBER 31, 2021 AND 2020

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Ascension Economic Development Corporation
Ascension Economic Development Foundation
Gonzales, Louisiana

Report on the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Ascension Economic Development Corporation and Ascension Economic Development Foundation (nonprofit organizations), which comprise the consolidated statements of financial position as of December 31, 2021 and 2020, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Ascension Economic Development Corporation and Ascension Economic Development Foundation as of December 31, 2021 and 2020, and the consolidated changes in its consolidated net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Ascension Economic Development Corporation and Ascension Economic Development Foundation's ability to continue as a going concern within one year after the date that the consolidated financials are available to be issued.

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 Ascension Economic Development Corporation and Ascension Economic Development Foundation'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Ascension Economic Development Corporation and Ascension Economic Development Foundation's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating statement of financial position, consolidating statement of activities and changes in net assets and schedule of compensation, benefits, and other payments to the chief executive officer are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated 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 27, 2022, on our consideration of Ascension Economic Development Corporation and Ascension Economic Development Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of Ascension Economic Development Corporation and Ascension Economic Development Foundation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Ascension Economic Development Corporation and Ascension Economic Development Foundation's internal control over financial reporting and compliance.



Gonzales, Louisiana
May 27, 2022

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2021 AND 2020

	<u>ASSETS</u>	
	<u>2021</u>	<u>2020</u>
<u>CURRENT ASSETS</u>		
Cash and cash equivalents	\$ 1,035,847	\$ 1,052,926
Total current assets	<u>1,035,847</u>	<u>1,052,926</u>
<u>NON-CURRENT ASSETS</u>		
Nondepreciable capital assets	35,000	95,452
Property and equipment, net	303,060	200,116
Total non-current assets	<u>338,060</u>	<u>295,568</u>
TOTAL ASSETS	<u>\$ 1,373,907</u>	<u>\$ 1,348,494</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>CURRENT LIABILITIES</u>		
Accounts payable	\$ -	26,697
Accrued expenses	17,492	18,192
Current portion of long term debt	17,094	15,083
Total current liabilities	<u>34,586</u>	<u>59,972</u>
<u>LONG TERM LIABILITIES</u>		
Note payable, less current portion	134,548	162,624
Capital lease payable, less current portion	2,557	-
Total long term liabilities	<u>137,105</u>	<u>162,624</u>
TOTAL LIABILITIES	<u>171,691</u>	<u>222,596</u>
<u>NET ASSETS</u>		
Without donor restrictions	<u>1,202,216</u>	<u>1,125,898</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,373,907</u>	<u>\$ 1,348,494</u>

The accompanying notes are an integral part of these statements.

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

CONSOLIDATED STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>Without Donor Restrictions 2021</u>	<u>Without Donor Restrictions 2020</u>
<u>REVENUES</u>		
Grants and contributions	\$ 529,535	\$ 531,113
Interest income	1,258	1,336
Total revenues	530,793	532,449
<u>EXPENSES</u>		
Supporting Services:		
Economic services	349,686	329,838
Management and General	104,789	92,650
Total expenses	454,475	422,488
CHANGE IN NET ASSETS	76,318	109,961
NET ASSETS AT BEGINNING OF YEAR	1,125,898	1,015,937
NET ASSETS AT END OF YEAR	\$ 1,202,216	\$ 1,125,898

The accompanying notes are an integral part of these statements.

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED DECEMBER 31, 2021 AND 2020

2021

	Economic Development	Management and General	Total Expenses
Salaries	\$ 178,831	\$ 63,475	\$ 242,306
Payroll taxes and benefits	49,273	17,489	66,762
Travel and entertainment	4,769	1,693	6,462
Legal and professional fees	4,945	1,755	6,700
Office	28,471	10,105	38,576
Depreciation	9,132	3,242	12,374
Insurance and utilities	5,667	2,012	7,679
Marketing and research	33,579	-	33,579
Incentive study	20,881	-	20,881
Interest expense	6,304	2,238	8,542
Other	7,834	2,780	10,614
Totals	<u>\$ 349,686</u>	<u>\$ 104,789</u>	<u>\$ 454,475</u>

2020

	Economic Development	Management and General	Total Expenses
Salaries	\$ 174,525	\$ 60,978	\$ 235,503
Payroll taxes and benefits	47,199	16,491	63,690
Travel and entertainment	2,875	1,004	3,879
Legal and professional fees	4,744	1,658	6,402
Office	19,280	6,737	26,017
Depreciation	3,978	1,390	5,368
Insurance and utilities	3,908	1,365	5,273
Marketing and research	46,820	-	46,820
Incentive study	17,845	-	17,845
Interest expense	3,349	1,170	4,519
Other	5,315	1,857	7,172
Totals	<u>\$ 329,838</u>	<u>\$ 92,650</u>	<u>\$ 422,488</u>

The accompanying notes are an integral part of these statements.

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 76,318	\$ 109,961
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	12,374	5,368
Loss on disposal	211	1,353
(Decrease) Increase in accounts payable	(26,697)	26,697
(Decrease) Increase in accrued expenses	(700)	6,795
Net cash provided by operating activities	61,506	150,174
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property & equipment	(50,100)	(108,562)
Net cash used in investing activities	(50,100)	(108,562)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on long term debt	(28,485)	(7,293)
Net cash used in financing activities	(28,485)	(7,293)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(17,079)	34,319
CASH AND CASH EQUIVALENTS		
Beginning of Year	1,052,926	1,018,607
End of Year	\$ 1,035,847	\$ 1,052,926
Noncash investing and financing transaction:		
Purchase of building		
Cost of building	\$ -	\$ 185,000
Building loan	-	(185,000)
Capital lease obligation		
Cost for use of equipment	4,977	-
Capital lease obligation	(4,977)	-
Interest paid on loan	\$ 8,542	\$ 4,519

The accompanying notes are an integral part of these statements.

**ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Significant Accounting Policies and Presentations

Organization and Purpose

The Ascension Economic Development Corporation (the Corporation) is a non-profit corporation which was organized to promote economic development for the Parish of Ascension and is funded by the Parish of Ascension, the City of Gonzales, and the Industrial Development Board.

The Corporation's board of directors are appointed by the Parish of Ascension, the Ascension Chamber of Commerce, the City of Gonzales, and the President of the Parish of Ascension.

The Ascension Economic Development Foundation (the Foundation) is a non-profit corporation which was organized to support the Corporation through charitable donations.

Basis of presentation –The financial statements of The Corporation and Foundation have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require The Corporation and Foundation to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of The Corporation and Foundation's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of The Corporation and Foundation or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Revenue Recognition – The Corporation recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. There were not any conditional promises to give as of December 31, 2021 and 2020.

The Corporation and Foundation has adopted Accounting Standards Update (ASU) No. 2018-08 *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 605)* as management believes the standard improves the usefulness and understandability of the Corporation and Foundation's financial reporting.

**ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Significant Accounting Policies and Presentations (continued)

Revenue Recognition (continued)

The Corporation and Foundation has adopted Accounting Standards Update (ASU) No. 2014-09- *Revenue from Contracts with Customers (Topic 606)*, as amended as management believes the standard improves the usefulness and understandability of the Corporation and Foundation's financial reporting.

Analysis of various provisions of this standard resulted in no significant changes in the way the Corporation and Foundation recognizes revenue, and therefore no changes to the previously issues audited financial statements were required on a retrospective basis. The presentation and disclosures of revenue have enhanced in accordance with the standard.

Measure of operations – The statements of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to The Corporation and Foundation's ongoing economic development and interest earned on cash. Nonoperating activities are limited to resources from activities considered to be of a more unusual or nonrecurring nature.

Cash and cash equivalents – The Corporation and Foundation's cash consists of cash on deposit with banks. Cash equivalents represent money market funds or short-term investments with original maturities of three months or less from the date of purchase, except for those amounts that are held in the investment portfolio which are invested for long-term purposes.

Concentrations of credit risk – Financial instruments that potentially subject The Corporation and Foundation to concentrations of credit risk consist principally of cash and cash equivalents and investments. The Corporation and Foundation maintains its cash and cash equivalents in various bank accounts that, at times, may exceed federally insured limits. The Corporation and Foundation's cash and cash equivalent accounts have been placed with high credit quality financial institutions. The Corporation and Foundation has not experienced, nor does it anticipate, any losses with respect to such accounts.

Contributions receivable – Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Discount amortization is included in contribution revenue. Conditional promises to give are not included as support until the conditions are met.

Property and equipment, net – Property and equipment are stated at cost at the date of purchase or, for donated assets, at fair value at the date of donation, less accumulated depreciation. Depreciation is calculated using the straight-line method over the lesser of the estimated useful

**ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Significant Accounting Policies and Presentations (continued)

Property and equipment, net (continued)

lives of the assets or the lease term. The useful lives range from three to thirty nine years. The Corporation and Foundation's policy is to capitalize renewals and betterments acquired for greater than \$500 and expense normal repairs and maintenance as incurred. The Corporation and Foundation's management periodically evaluates whether events or circumstances have occurred indicating that the carrying amount of long-lived assets may not be recovered.

Contributions – Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

Functional expenses – The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among economic development and supporting services benefited. Such allocations are determined by management on an equitable basis.

All expenses were allocated based on time and effort.

Use of estimates – The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Income Taxes

The Corporation is exempt from income tax under Section 501(c) (6). The Foundation is exempt from income taxes under Code Section 501(c) (3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Corporation and Foundation have processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Corporation and Foundation has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

**ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Significant Accounting Policies and Presentations (continued)

Reclassification

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

2. Availability and Liquidity

The following represents the Corporation and Foundation's financial assets at December 31, 2021 and 2020:

Financial assets at year-end:	2021	2020
Cash	\$ 1,035,847	\$ 1,052,926
Less amounts not available to be used within one year:		
Board Designations:		
Strategic Initiatives	340,284	340,284
Financial assets available to meet cash needs for general expenditures within one year	\$ 695,563	\$ 712,642

3. Property and Equipment

Major classifications of property and equipment as of December 31, 2021 and 2020 are summarized as follows:

	2021	2020
Furniture and equipment	\$ 39,680	\$ 21,717
Building and improvements	282,013	187,855
Land	35,000	35,000
Construction in progress	-	60,452
	356,693	305,024
Less: accumulated depreciation	(18,633)	(9,456)
Property and equipment, net	\$ 338,060	\$ 295,568

Depreciation expense related to the property and equipment in service was \$12,374 and \$5,368 for the years ended December 31, 2021 and 2020, respectively.

**ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

4. Compensated Absences

As of December 31, 2021 and 2020, accumulated vacation and personal/sick leave accrual was \$17,048 and \$16,893 respectively, which is included in accrued expenses.

5. Retirement Plan

The Corporation has a 401(k)-profit sharing plan for all full-time employees. Participants may make voluntary contributions to the plan up to a maximum of \$19,500 and are 100% vested in their contributions. The Corporation provides a 5% match of an electing participant's deferral and may make discretionary profit-sharing contributions. Participants vest in the Organization's contributions at the rate of 20% per year of service beginning with the participant's first full year of service. The Corporation's contributions to the plan were \$12,140 and \$11,105 for the years ended December 31, 2021 and 2020, respectively.

6. Related Party Transactions

During the year ended December 31, 2021 and 2020, the Corporation paid legal fees to a board member \$0 and \$152, respectively.

7. Concentrations

The Corporation received approximately 100% of its revenue from governmental sources during the years ended December 31, 2021 and 2020. Furthermore, the Parish of Ascension provided \$416,202 and \$417,780 during the years ended December 31, 2021 and 2020, respectively, as such, the Corporation is economically dependent on the Parish of Ascension.

8. Net Assets

Net assets without donor restrictions were as follows for the years ended December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Undesignated	\$ 861,932	\$ 785,614
Strategic Initiatives	<u>340,284</u>	<u>340,284</u>
	<u>\$ 1,202,279</u>	<u>\$ 1,125,898</u>

**ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

9. Long-term Debt

The Corporation's long-term debt consists of the following for the years ending December 31:

	2021	2020
Note payable to a Bank, due in June 2025, payable in monthly installments of \$1,967, with interest at 5%, secured by a building.	\$ 150,402	\$ 177,707
	\$ 150,402	\$ 177,707

Note obligations mature in years ending December 31 as follows:

2022	\$	15,854	
2023		16,665	
2024		17,518	
2025		100,365	
	\$	150,402	

10. Capital Leases

The Corporation leases its copier under a capital lease.

The following is an analysis of the leased asset included in property and equipment:

	2021	2020
Furniture and equipment	\$ 4,977	\$ -
Less accumulated depreciation	1,244	-
	\$ 3,733	\$ -

The following is a schedule by years of future minimum payments required under the lease together with their present value as of December 31, 2021:

2022	\$	1,402	
2023		1,402	
2024		1,285	
Total minimum lease payments		4,089	
Less amount representing interest		292	
	\$	3,797	

11. Subsequent Events

Management has evaluated subsequent events through the date the financial statements were available to be issued, May 27, 2022, and determined that there were no events that require additional disclosure. No events occurring after this date have been evaluated for inclusion in these financial statements.



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

Board of Directors
Ascension Economic Development Corporation
Ascension Economic Development Foundation
Gonzales, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the consolidated financial statements of Ascension Economic Development Corporation and Ascension Economic Development Foundation (nonprofit organizations), which comprise the consolidated statement of financial position as of December 31, 2021, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated May 27, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Ascension Economic Development Corporation and Ascension Economic Development Foundation's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Ascension Economic Development Corporation and Ascension Economic Development Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Ascension Economic Development Corporation and Ascension Economic Development Foundation's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's consolidated 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 may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Ascension Economic Development Corporation and Ascension Economic Development Foundation's consolidated 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 consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Gonzales, Louisiana
May 27, 2022

**ASCENSION ECONOMIC DEVELOPMENT CORPORATION AND
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION**

SUMMARY OF FINDINGS AND RESPONSES

YEAR ENDED DECEMBER 31, 2021

SUMMARY OF AUDIT RESULTS

1. The independent auditors' report expresses an unmodified opinion on whether the consolidated financial statements of Ascension Economic Development Corporation and Ascension Economic Development Foundation were prepared in accordance with GAAP.
2. No significant deficiencies or material weaknesses relating to the audit of the consolidated financial statements are reported on the Independent Auditors' 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*.
3. No instances of noncompliance material to the consolidated financial statements of Ascension Economic Development Corporation and Ascension Economic Development Foundation which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.

FINDINGS – FINANCIAL STATEMENT AUDIT

NONE NOTED

FINDINGS – COMPLIANCE

NONE NOTED

**ASCENSION ECONOMIC DEVELOPMENT CORPORATION AND
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION**

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED DECEMBER 31, 2021

FINDINGS – FINANCIAL STATEMENT AUDIT

NONE NOTED

FINDINGS – COMPLIANCE

NONE NOTED

ASCENSION ECONOMIC DEVELOPMENT COPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021

	<u>ASSETS</u>		
	<u>Corporation</u>	<u>Foundation</u>	<u>Total</u>
<u>CURRENT ASSETS</u>			
Cash and cash equivalents	\$ 996,894	\$ 38,953	\$ 1,035,847
Total current assets	<u>996,894</u>	<u>38,953</u>	<u>1,035,847</u>
<u>NON-CURRENT ASSETS</u>			
Nondepreciable capital assets	35,000		35,000
Property and equipment, net	303,060	-	303,060
Total non-current assets	<u>338,060</u>	<u>-</u>	<u>338,060</u>
TOTAL ASSETS	<u>\$ 1,334,954</u>	<u>\$ 38,953</u>	<u>\$ 1,373,907</u>
<u>LIABILITIES AND NET ASSETS</u>			
<u>CURRENT LIABILITIES</u>			
Accounts payable	\$ -	\$ -	\$ -
Accrued expenses	17,492	-	17,492
Current portion of long term debt	17,094	-	17,094
Total current liabilities	<u>34,586</u>	<u>-</u>	<u>34,586</u>
<u>LONG TERM LIABILITIES</u>			
Note payable, less current portion	134,548	-	134,548
Capital lease payable, less current portion	2,557	-	2,557
Total long term liabilities	<u>137,105</u>	<u>-</u>	<u>137,105</u>
TOTAL LIABILITIES	<u>171,691</u>	<u>-</u>	<u>171,691</u>
<u>NET ASSETS</u>			
Without donor restrictions	1,163,263	38,953	1,202,216
TOTAL NET ASSETS	<u>1,163,263</u>	<u>38,953</u>	<u>1,202,216</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,334,954</u>	<u>\$ 38,953</u>	<u>\$ 1,373,907</u>

ASCENSION ECONOMIC DEVELOPMENT COPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2021

	Without Donor Restrictions <u>Corporation</u>	Without Donor Restrictions <u>Foundation</u>	<u>Total</u>
<u>REVENUES</u>			
Grants and contributions	\$ 529,535	\$ -	\$ 529,535
Interest income	1,258	-	1,258
Total revenues	<u>530,793</u>	<u>-</u>	<u>530,793</u>
<u>EXPENSES</u>			
Salaries	242,306	-	242,306
Payroll taxes and benefits	66,762	-	66,762
Travel and entertainment	6,379	83	6,462
Legal and professional fees	6,175	525	6,700
Office	38,576	-	38,576
Depreciation	12,374	-	12,374
Insurance	7,679	-	7,679
Marketing and research	33,579	-	33,579
Incentive study	20,881	-	20,881
Interest expense	8,542	-	8,542
Other	10,604	10	10,614
Total expenses	<u>453,857</u>	<u>618</u>	<u>454,475</u>
CHANGE IN NET ASSETS	76,936	(618)	76,318
NET ASSETS AT BEGINNING OF YEAR	1,086,327	39,571	1,125,898
NET ASSETS AT END OF YEAR	<u>\$ 1,163,263</u>	<u>\$ 38,953</u>	<u>\$ 1,202,216</u>

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

SCHEDULE OF COMPENSATION, BENEFITS, AND
OTHER PAYMENTS TO CHIEF EXECUTIVE OFFICER
YEAR ENDED DECEMBER 31, 2021

CHIEF EXECUTIVE OFFICER: Kate MacArthur, President/CEO

Salary	\$ 132,117
Benefits-insurance	10,238
Benefits-retirement	6,574
Car allowance	5,400
Cell Phone allowance	900
Dues	1,045
Conferences	1,354
	<u>\$ 157,628</u>

Kate MacArthur provides oversight to the Ascension Economic Development Foundation. She does not receive any compensation, benefits, or other payments from the Foundation.



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

To the Board of Directors of Ascension Economic Development Corporation
and the Ascension Economic Development Foundation, and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2021 through December 31, 2021. Ascension Economic Development Corporation and Ascension Economic Development Foundation's management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and entity's operations:

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

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

- b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

Written policies and procedures were obtained and address the functions noted above with the exception of how vendors are added to the vendor list.

Management's response: We do not deem maintaining a vendor list necessary since the volume of transactions is low and President/CEO approves all invoices and signs all checks for disbursements.

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

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

- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

Written policies and procedures were obtained and address the functions noted above except for determining the completeness of all collections.

Management's responses: We receive revenue from four sources that consists of 18 ACH/checks received for the year. Our review of the financial statements would note any errors in receipts.

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

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

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

Written policies and procedures were obtained and address the functions noted above with the exception of standard terms and legal review.

Management's response: We do not issue many contracts and our contracts vary by type. Therefore, it would be difficult to develop a list of standard terms. The Board has to approve all expenses over \$10,000.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of the statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

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

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

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

- 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) requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

This section is not applicable to a non-profit organization.

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

This section is not applicable to a non-profit organization.

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

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

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

This section is not applicable to a non-profit organization. The Corporation has a policy that addresses responsibilities and prohibitions.

Board (or Finance Committee, if applicable)

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws or other equivalent document.

The Board met with a quorum as required.

- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

The minutes documented the Board's review of financial activity of the entity.

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Not applicable.

Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

Obtained listing of client bank accounts for the fiscal period from management and management's representation that listing is complete.

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

No exceptions noted.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

No exceptions noted.

- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Not applicable, the entity did not have any reconciling items that have been outstanding for more than 12 months.

Collections (excluding electronic funds transfers)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Obtained a listing of deposit sites and management's representation that listing is complete.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written

policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

Obtained a listing of collection locations and management's representation that listing is complete.

- a) Employees that are responsible for cash collections do not share cash drawers/registers.

No exceptions noted.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

No exceptions noted.

- 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.

No exceptions noted.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

No exceptions noted.

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was enforced during the fiscal period.

The Corporation does not receive cash payments; therefore, there is no policy for theft or bond coverage.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).

No exceptions noted.

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

No exceptions noted.

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

- 8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Obtained listing of locations that process payments and management's representation that listing is complete.

- 9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

We were unable to perform the above prescribed procedure because the entity does not have the resources available to separate duties for the initiation and approval of transactions. However, we noted that invoices and/or adequate supporting documentation was present for the each of the transactions, matched the associated payments, and checks were signed by authorized signor.

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

No exceptions noted.

- 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.

The person responsible for processing payments is not prohibited from adding/modifying vendor files and there is no evidence that another employee is responsible for periodically reviewing changes to vendor files.

Management's response: Due to the limited amount of staff available, we are not able to segregate these functions.

- 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.

The employee who mails the checks also processes them.

Management's response: Due to the limited amount of staff available, we are not able to segregate these functions.

- 10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

- a) Observe 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.

No exception noted.

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

We were unable to perform the above prescribed procedure because the entity does not have the resources available to separate duties for the initiation and approval of transactions. However, we noted that invoices and/or adequate supporting documentation was present for the each of the transactions, matched the associated payments, and checks were signed by authorized signor.

The person responsible for processing payments is not prohibited from adding/modifying vendor files and there is no evidence that another employee is responsible for periodically reviewing changes to vendor files.

The employee who mails the checks also processes them.

Management's response: Due to the limited amount of staff available, we are not able to segregate these functions.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Obtained listing of the credit cards and management's representation that listing is complete.

12. Using the listing prepared by management, randomly select 5 cards (or all if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]]

No exceptions noted.

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

No exceptions noted.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

No exceptions noted.

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

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

Obtained listing of travel and related expense reimbursements and management's representation that listing is complete.

- a) If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

No exceptions noted.

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

No exceptions noted.

- 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).

No exceptions noted.

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

No exceptions noted.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

Obtained listing of contracts initiated or renewed during the fiscal period and management's representation that listing is complete.

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

Not applicable.

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

No exceptions noted.

- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.

Not applicable.

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

No exceptions noted.

Payroll and Personnel

16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Obtained listing of employees and management's representation that listing was complete. Agreed paid salaries to authorized salaries/pay rates in the personnel file without exception.

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

Salaried employees are not required to document their attendance. The hourly employees documented attendance. Leave was documented for all employees.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' 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.

No employees or officials terminated during the fiscal period.

19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

No exceptions noted.

Ethics

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

Not applicable.

- b. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Not applicable.

Debt Service

21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued.

Not applicable.

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Not applicable.

Fraud Notice

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

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

24. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

No exceptions noted.

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**

- a. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such

backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

We performed the procedure and discussed the results with management.

- b. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

We performed the procedure and discussed the results with management.

- c. Obtain a listing of the entity's computers currently in use, and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

We performed the procedure and discussed the results with management.

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

Not applicable.

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

Not applicable.

28. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that it includes the applicable requirements of R.S. 42:344:

- a. Number and percentage of public servants in the agency who have completed the training requirements;

Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.

We were engaged by Ascension Economic Development Corporation and Ascension Economic Development Foundation 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 Ascension Economic Development Corporation and Ascension Economic Development Foundation 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.



Gonzales, Louisiana
May 27, 2022