

**WEST BATON ROUGE CONVENTION &
VISITORS BUREAU
PORT ALLEN, LOUISIANA**

FINANCIAL REPORT

December 31, 2018



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WEST BATON ROUGE CONVENTION & VISITORS BUREAU

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INDEPENDENT AUDITOR'S REPORT

Chairman and Members of the Board
West Baton Rouge Convention and Visitors Bureau
Port Allen, Louisiana

We have audited the accompanying financial statements of the governmental activities and each major fund of the West Baton Rouge Convention and Visitors Bureau, a component unit of the West Baton Rouge Parish Council, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the West Baton Rouge Convention and Visitors Bureau's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The West Baton Rouge Convention and Visitors Bureau's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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

entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the West Baton Rouge Convention and Visitors Bureau as of December 31, 2018, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 through 9 and schedules 1 and 2 respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of 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.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the West Baton Rouge Convention and Visitors Bureau's basic financial statements. The schedule of compensation, benefits and other payments to agency head on schedule 3 is presented to comply with the requirements issued by the State of Louisiana, and is not a required part of the basic financial statements.

The schedule of compensation, benefits and other payments to agency head 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of compensation, benefits and other payments to agency head is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2019 on our consideration of the West Baton Rouge Convention and Visitors Bureau'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 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 West Baton Rouge Convention and Visitors Bureau's internal control over financial reporting and compliance.

PROVOST, SALTER, HARPER & ALFORD, LLC



June 27, 2019
Baton Rouge, Louisiana

WEST BATON ROUGE CONVENTION AND VISITORS BUREAU
Port Allen, Louisiana

Management's Discussion and Analysis

The Management's Discussion and Analysis of the West Baton Rouge Convention and Visitors Bureau (the Convention and Visitors Bureau) financial performance presents a narrative overview and analysis of the Convention and Visitors Bureau's financial activities for the year ended December 31, 2018. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with prior year's information. Please read this document in conjunction with the additional information contained in the Convention and Visitors Bureau's financial statements, which begins on page 10.

FINANCIAL HIGHLIGHTS

The Convention and Visitors Bureau's total net position increased by \$50,698 or 2.1%.

The operating revenues of the Convention and Visitors Bureau decreased \$300,321 or 17.2%.

The operating expenses of the Convention and Visitors Bureau increased \$29,881 or 2.2%.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management Discussion and Analysis document introduces the Convention and Visitors Bureau's basic financial statements. The basic financial statements include: (1) government-wide financial statements, and fund financial statements, and (2) notes to the basic financial statements. The Convention and Visitors Bureau also includes in this report additional information to supplement the basic financial statements, such as required supplementary information. Comparative data is presented when available.

Government –wide Financial Statements

The Convention & Visitors Bureau's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Convention & Visitors Bureau's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

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Port Allen, Louisiana

Management's Discussion and Analysis, continued

The first of these government-wide statements is the Statement of Net Position. This is the government-wide statement of position presenting information that includes all of the Convention & Visitors Bureau's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Convention & Visitors Bureau as a whole is improving or deteriorating. Evaluation of the overall health of the Convention & Visitors Bureau would extend to other non-financial factors such as diversification of the taxpayer base, in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities and Changes in Net Position which reports how the Convention & Visitors Bureau's net position changed during the current calendar year. All current year revenues and expenses are included regardless of when the Convention & Visitors Bureau receives or pays cash. An important purpose of the design of the statement of activities is to show the financial reliance of the Convention & Visitors Bureau's distinct activities or functions on revenues provided by the Convention & Visitors Bureau's taxpayers.

The government-wide financial statements are presented along with fund financial statements on statements A and B of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Convention & Visitors Bureau uses two funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Convention & Visitors Bureau's general fund and one special revenue funds. All funds are governmental fund types.

The Convention & Visitors Bureau uses only one fund type:

The Governmental funds are reported in the fund financial statements and encompasses the same function reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Convention & Visitors Bureau's governmental funds. These statements report short-term calendar accountability focusing on the use of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

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Management's Discussion and Analysis, continued

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental funds balance sheet and the governmental funds operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental funds financial statements are presented on statements A and B of this report along with the government-wide financial statements.

Notes to the Basic Financial Statements

The notes to financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found immediately following the financial statements.

FINANCIAL ANALYSIS OF THE CONVENTION & VISITORS BUREAU AS A WHOLE

The Convention & Visitors Bureau's net position at fiscal year-end is \$2,462,517. The following table provides a summary of the Convention & Visitors Bureau's net position:

	2018	2017
Current assets	\$ 938,808	\$ 981,982
Capital assets	1,846,036	1,731,549
Total assets	2,784,844	2,713,531
Current liabilities	150,838	102,033
Noncurrent liabilities	171,489	199,678
Total liabilities	322,327	301,711
Net investment in capital assets	1,687,036	1,548,549
Restricted	655,228	702,645
Unrestricted	120,253	160,626
Total net position	\$ 2,462,517	\$ 2,411,820

WEST BATON ROUGE CONVENTION AND VISITORS BUREAU
Port Allen, Louisiana

Management's Discussion and Analysis, continued

The Convention & Visitors Bureau continues to maintain an extremely high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities at December 31, 2018 is approximately 6.2 to 1.

The Convention & Visitors Bureau reported a positive balance in net position for its governmental activities. Net position increased from 2017 by \$50,698. Note that approximately 69% of the governmental activities net position at December 31, 2018 consist of capital assets. The Convention & Visitors Bureau uses these capital assets to provide services to its citizens and tourists visiting the parish.

The following data is presented on the accrual basis of accounting which means that all costs are presented; however, the purchase of capital assets is not included but depreciation on the capital assets is included.

The following table provided a summary of the Convention & Visitors Bureau's changes in net position:

	<u>2018</u>	<u>2017</u>
Operating revenues	\$ 1,443,446	\$ 1,743,767
Operating expenses	<u>1,392,686</u>	<u>1,362,805</u>
Excess (deficiency) of revenues over expenses	50,760	380,962
Non-operating revenues (expenses)	<u>(62)</u>	<u>-</u>
Change in net position	<u>\$ 50,698</u>	<u>\$ 380,962</u>

Governmental Revenue

The Convention & Visitors Bureau is heavily reliant on hotel-motel tax and the state sales tax rebate to support its operations. Hotel-motel taxes and state sales tax rebate provided 80.3% in 2018 and 76.2% in 2017 of the Convention & Visitors Bureau's total revenues. Because of the Convention & Visitors Bureau's healthy financial position, we have been able to earn interest income of \$12,604 in 2018 and \$3,455 in 2017 to support our activities. Also, note that in 2018 charges for services covered only 17.9% of governmental operating expenses and only 17.3% in 2017. This means that the Convention & Visitors Bureau's taxpayers and the Convention & Visitors Bureau's other general revenues fund a significant portion of the Convention & Visitors Bureau's activities. As a result, the general economy and local businesses have a major impact on the Convention & Visitors Bureau's revenue streams.

WEST BATON ROUGE CONVENTION AND VISITORS BUREAU
Port Allen, Louisiana

Management's Discussion and Analysis, continued

Change in Net Position

The Bureau's ending net position is \$2,462,517, an increase of \$50,698 over the prior year. This increase is the result of the events and programs described within the analysis of the Convention & Visitors Bureau's activities described above. Of total net position, at December 31, 2018 \$120,253 (\$160,625 for 2017) was unrestricted indicating availability for continuing Parish Convention & Visitors Bureau service requirements.

Governmental Functional Expenses

Salaries and related expenses comprised 35.1% in 2018 and 34.7% in 2017 of total expenses. Operating services, materials and supplies made up 58.5% in 2018 and 59.2% in 2017 the total expenses.

Financial Analysis of the Convention & Visitors Bureau's Governmental Funds

The General Fund is the Convention & Visitors Bureau's operating fund and along with the Special Revenue Funds are the sources of day-to-day service delivery. As discussed, the General and Special Revenue Funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financial requirements. Remember the data presented in the fund financial statements is presented on the modified accrual basis. This means that capital assets purchased during the year are reported as expenditures and no depreciation on these capital assets is reported as an expenditure in the same year.

Budgetary Highlight

At year-end, the Convention & Visitors Bureau realized just over 117.5% of our final budget revenue and total expenditures were 95.4% of budgeted amounts.

CAPITAL ASSETS AND DEBTS

Capital Assets

The Convention and Visitors Bureau's investment in capital assets, net of accumulated depreciation, for governmental activities as of December 31, 2018 was \$1,846,036 compared to \$1,731,548 at December 31, 2017. In 2018 depreciation expense was \$82,911 and \$197,460 was expended to purchase additional assets.

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Management's Discussion and Analysis, continued

See Note 3 for additional information about changes in capital assets during the calendar year and outstanding at the end of the year. The following table provides a summary of capital asset activity.

	Governmental Activities	
	2018	2017
Depreciable assets	\$ 1,531,719	\$ 1,337,803
Less accumulated Depreciation	(519,739)	(440,310)
Land	<u>834,056</u>	<u>834,056</u>
Book value-depreciable assets	<u>\$ 1,846,036</u>	<u>\$ 1,731,549</u>

Long-term Debt

The Convention and Visitors Bureau may issue general obligation debt to meet its capital needs. During the current year the Convention and Visitors Bureau retired \$24,000 of bonds that were issued to fund renovation of the convention facilities. See note 4 to the financial statements for a discussion and analysis of long-term debt.

CONTACTING THE CONVENTION AND VISITORS BUREAU'S MANAGEMENT

This financial report is designed to provide a general overview of the Convention and Visitors Bureau's finances, comply with finance-related laws and regulations, and to demonstrate the Convention and Visitors Bureau's accountability for the money it receives. If you have any questions about this report or need additional information, please contact the West Baton Rouge Convention and Visitors Bureau, 2750 N. Westport Drive, Port Allen, LA 70767.

WEST BATON ROUGE CONVENTION & VISITORS BUREAU

Statement of Net Position and Governmental Funds Balance Sheet

December 31, 2018

	General Fund	Enterprise Fund	Total	Adjustments	Statement of Position
ASSETS					
Cash and cash equivalents	\$ 21,502	\$ 341,579	\$ 363,081	\$ -	\$ 363,081
Accounts receivable	18,185	438	18,623	-	18,623
Investments - LAMP	62,595	432,412	495,007	-	495,007
Hotel-Motel tax receivable	58,858	-	58,858	-	58,858
Prepaid expenses	3,239	-	3,239	-	3,239
Interfund receivables	5,665	5,691	11,356	(11,356)	-
Capital assets, net of accumulated depreciation	-	-	-	1,011,980	1,011,980
Capital assets, not being depreciated					
Land	-	-	-	834,056	834,056
Total Assets	170,044	780,120	950,164	1,834,680	2,784,844
LIABILITIES					
Accounts payable and accrued expenses	6,611	119,227	125,838	-	125,838
Interfund payables	5,691	5,665	11,356	(11,356)	-
Long-term liabilities					
Due within one year	-	-	-	25,000	25,000
Due after one year	-	-	-	134,000	134,000
Compensated Absences	-	-	-	37,489	37,489
Total Liabilities	12,302	124,892	137,194	185,133	322,327
FUND BALANCE/NET POSITION					
Fund Balance:					
Restricted					
Tourist promotion	-	655,228	655,228	(655,228)	
Unassigned	157,742	-	157,742	(157,742)	
Total fund balances	\$ 157,742	\$ 655,228	\$ 812,970		
Total liabilities and fund balances					
Net Position:					
Invested in capital assets net of related debt				1,687,036	1,687,036
Restricted - Enterprise Fund				655,228	655,228
Unrestricted				120,253	120,253
Total Net Position					\$ 2,462,517

**WEST BATON ROUGE CONVENTION & VISITORS
BUREAU**

Statement B

Statement of Activities and Governmental Fund Revenues,
Expenditures and Changes in Fund Balance/Net Position

Year Ended December 31, 2018

	General Fund	Enterprise Fund	Total	Adjustments	Statement of Activities
Expenditures/expenses					
General government					
Advertising and marketing	\$ 12,917	\$ 134,202	\$ 147,119	\$ -	\$ 147,119
Bank charges	1,495	97	1,592	-	1,592
Catering expenses	101,819	-	101,819	-	101,819
Depreciation	-	-	-	82,911	82,911
Maintenance, repairs and security	80,170	11,439	91,609	-	91,609
Miscellaneous	390	-	390	-	390
Office, supplies and postage	37,779	349,845	387,624	-	387,624
Professional fees	29,690	-	29,690	-	29,690
Insurance	15,533	-	15,533	-	15,533
Salaries, wages and related expenses	492,165	-	492,165	(3,189)	488,976
Utilities & telephone	39,884	-	39,884	-	39,884
Capital outlays	-	197,460	197,460	(197,460)	-
Debt service					
Principle	-	24,000	24,000	(24,000)	-
Interest	-	5,539	5,539	-	5,539
Total Expenditures/Expenses	811,842	722,582	1,534,424	(141,738)	1,392,686
Revenues					
Program Revenues					
Conference center	159,474	-	159,474	-	159,474
Special events	900	88,329	89,229	-	89,229
Expenditures/Expenses Net of Program Revenues	(651,468)	(634,253)	(1,285,721)	141,738	(1,143,983)
General Revenue					
Hotel-Motel tax	603,615	-	603,615	-	603,615
From the State:					
Sales tax rebate	-	556,167	556,167	-	556,167
Interest income	1,624	10,980	12,604	-	12,604
Grants and other income	2,668	19,689	22,357	-	22,357
Total General Revenues	607,907	586,836	1,194,743	-	1,194,743
Excess (Deficiency) of Revenues over Expenditures	(43,561)	(47,417)	(90,978)	141,738	50,760
Other Financing Sources (Uses)					
Loss on disposition of asset	-	-	-	(62)	(62)
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	(43,561)	(47,417)	(90,978)	141,676	50,698
Total Fund Balance/Net Position, Beginning	201,303	702,645	903,948	-	2,411,819
Total Fund Balance/Net Position, Ending	\$ 157,742	\$ 655,228	\$ 812,970	\$ 141,676	\$ 2,462,517

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Notes to Financial Statements

December 31, 2018

INTRODUCTION

The West Baton Rouge Convention & Visitors Bureau was established May 12, 1977 as the West Baton Rouge Tourist Commission for the purpose of developing and carrying out programs designed to promote tourism in the area of West Baton Rouge Parish as provided for by Louisiana Revised Statutes 33:4574, et seq. The Commission's name was changed to the West Baton Rouge Convention & Visitors Bureau in 2007.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting principles and reporting standards. The principles are found in the *Codification of Governmental Accounting and Financial Reporting Standards*, published by the GASB. The accompanying financial statements have been prepared on the full accrual basis in accordance with accounting principles generally accepted in the United States of America as applied to governmental units.

Reporting Entity. GASB Codification Section 2100, *Defining the Financial Reporting Entity*, establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Codification Section 2100, the West Baton Rouge Convention & Visitors Bureau includes all funds, account groups, et cetera, that are within the oversight responsibility of the Convention & Visitors Bureau. Based on the criteria set forth in GASB Codification Section 2100, the Convention & Visitors Bureau is a component unit of the West Baton Rouge Council because the Bureau is fiscally dependent on the Parish Council. The accompanying financial statements present information only as to the transactions and the activities of the Convention and Visitors Bureau.

Date of Management's Review. Management has evaluated subsequent events through June 27, 2019, the date on which financial statements were available to be issued.

Fund Accounting. The accounts of the West Baton Rouge Convention & Visitors Bureau are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into two generic fund types and one broad fund category as follows:

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Notes to Financial Statements, continued

December 31, 2018

Governmental Funds:

General Fund - The General Fund is the general operating fund of the Bureau. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Fund - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for a specific purpose other than debt services or capital projects. The Bureau accounts for the State Sales Tax Rebate it receives in its Special Revenue Funds (See Note 2).

Basis of Accounting. The Statement of Net Position (statement A) and Statement of Activities (statement B) display information about the Convention & Visitors Bureau as a whole. These statements include all the financial activities of the Convention & Visitors Bureau. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting.

The Convention and Visitors Bureau uses the following practices in recording revenues and expenses:

Program Revenues. Program revenues included in the Statement of activities (statement B) are derived directly from users as a fee for services; program revenues reduce the cost of the function to be financed from the Convention & Visitors Bureau's general revenues.

Fund Equity:

Equity Classifications.

Government-Wide Financial Statements.

In the government-wide financial statements, equity is classified as net position and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Restricted net position is restricted assets reduced by liabilities and deferred inflows of resources related to the restricted assets. Consists of net position with constraints placed on the use either by:

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Notes to Financial Statements, continued

December 31, 2018

1. External groups such as creditors, grantors, contributors, or laws or regulations of other governments, or
 2. Law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

Fund Financial Statements (FFS):

In the fund financial statements governmental fund equity is classified as fund balance. Fund balance is further classified as follows.

The Convention and Visitors Bureau adopted GASB Statement 54 (GASB Codification Section 1300, Fund Accounting) in the year ended December 31, 2013. As such, fund balances of the governmental fund are classified as follows:

Non-spendable. Amount that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

Restricted. Amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed. Amounts that can be used only for specific purposes determined by a formal decision of the Convention and Visitors Bureau Board of Governors. The Board of Governors is the highest level of decision-making authority for the Visitors and Convention Bureau.

Assigned. Amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes.

Unassigned. All other spendable amounts.

The Board of Governors is the highest level of decision making authority for the West Baton Rouge Convention and Visitors Bureau. The Council would have to approve a resolution to approve or change any previously approved commitment of fund balance. The Board of Governors is also authorized to approve assigned fund balances. It is the Convention and Visitors Bureau's policy to spend restricted fund balances first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available. It is the Convention and Visitors Bureau's policy to spend committed or assigned fund balances first when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Notes to Financial Statements, continued

December 31, 2018

The West Baton Rouge Convention and Visitors Bureau does not have any policy regarding minimum fund balance amounts. The Board of Governors has authorized the executive director of West Baton Rouge Convention and Visitors Bureau to make fund balance assignments in accordance with GASB Statement 54.

The amounts reflected in the Governmental Fund Statements (statements A and B) are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of the current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the Convention & Visitors Bureau's operations.

The amounts reflected in the Governmental Fund Statements (statements A and B) use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenue are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when related fund liability is incurred and certain compensated absences which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues. Revenues are recognized when they become measurable and available as net current assets. Taxpayer-assessed income, gross receipts, and sales taxes are considered "measurable" when in the hands of collecting governments and are recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain.

Transfers. Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sales of fixed assets, debt extinguishment, long-term debt proceeds, et cetera) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Notes to Financial Statements, continued

December 31, 2018

Budgets and Budgetary Accounting. The Convention & Visitors Bureau followed these procedures in establishing the budget reflected in these financial statements:

1. The Convention & Visitors Bureau Executive Director and its Conference Center Coordinator prepare a proposed budget and submit it to the treasurer. After examination by the treasurer, the budget is submitted to the Convention & Visitors Bureau's Board of Governors for approval. After approval by the Convention & Visitors Bureau, the budget is submitted to the West Baton Rouge Parish Council. The Parish Council incorporates the Convention & Visitors Bureau Budget into the Parish Council Budget. The Convention & Visitors Bureau Budget is submitted to the Parish Council to allow enough time for the formal budget process followed by the Council to be completed. The Parish Council complies with the State Budget Law.
2. Budgetary amendments involving the transfer of funds from one program or function to another require the approval of the Convention & Visitors Bureau.
3. All budgetary appropriations lapse at the end of each fiscal year.

Cash and Investments. Cash includes amounts in demand deposits as well as short term certificates with maturity dates within 90 days of the date acquired by the government. These deposits are stated at cost, which approximates market. Under State law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2018, the Board has \$373,737 in deposits (collected bank balances). The deposits are secured from risk by the federal deposit insurance and pledged securities.

Investments. The \$495,007 in investments at December 31, 2018 are invested in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.165, these investments are not categorized above because they are not evidenced by securities that exist in physical or book entry form.

LAMP, a local government investment pool, is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. LAMP is rated AAAM by Standard & Poor's. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Notes to Financial Statements, continued

December 31, 2018

well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days. The fair value of investments is determined on a weekly basis to monitor any variances between amortized cost and fair value. For purposes of determining participants' shares, investments are valued at amortized cost. The fair value of the participant's position is the same as the value of the pool shares. LAMP is designed to be highly liquid to give its participants immediate access to their account balances

Risk Management. The Convention & Visitors Bureau is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. The Bureau purchases commercial insurance policies at levels which management believes is adequate to protect the Bureau. Settled claims resulting from these risks have not exceeded the commercial insurance coverage in any of the past three fiscal years.

Short Term Interfund Receivables/Payables. During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due to/from other funds" on the balance sheet. Short-term interfund loans, if any, are classified as "interfund receivables/payables."

Prepaid Items. Payments made to vendors for services that will benefit periods beyond December 31 are recorded as prepaid items in both government-wide and fund financial statements.

Long Term Debt. Long Term Debt obligations to be repaid from governmental resources are reported as liabilities in the government-wide statements.

Long Term Debt for governmental funds is not reported as a liability in the fund financial statements. Bond issue cost is reported as expense in the year of the debt issuance. The debt proceeds are reported as other financing sources, and the payment of principle and interest are reported as expenditures, in the fund statements.

Compensated Absences. Full-time, permanent employees of the Bureau earn vacation leave and sick leave at various rates depending on the number of years of service. The Bureau's policy allows employees to accumulate unused sick leave up to 180 days and unused vacation leave up to 5 days. An employee is compensated for up to 5 days of unused vacation leave at the employee's hourly rate of pay at the time of termination. Compensatory time is calculated at one and one-half hours for each hour of overtime earned. Upon an employee's retirement, sick leave, not to exceed 30 days, and vacation leave not to exceed 5 days, and compensatory time shall be paid as severance pay. The liability for these compensated absences is recorded as long term debt in the government-wide and proprietary financial statements. However, any matured compensated absences existing at year-end which are payable to currently terminating employees are reported in the governmental funds as wages and benefits payable and on the government-wide and proprietary financial statements as the current portion of compensated absences.

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Notes to Financial Statements, continued

December 31, 2018

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

Current Year Adoption of New Accounting Standards. There were no new standards issued by the GASB that were required to be adopted by the Bureau in 2018.

Capital Assets. Capital assets consist of equipment, vehicles, buildings and building improvements and are capitalized at historical costs. These assets, net of accumulated depreciation, are included on the Statement of Net Position. Depreciation for financial reporting purposes is computed by the straight-line method over the useful lives of the assets.

The useful lives are as follows:

Building	40 years
Building improvements	20 years
Furniture, fixtures & equipment	5-10 years
Vehicles	7 years

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

2. REVENUE

Hotel – Motel Tax. The Convention & Visitors Bureau under the provision of Louisiana Revised Statutes Section 33:4574.1-A levies a four percent tax upon the occupancy of hotel rooms, motel rooms, and overnight camping facilities within the jurisdiction of the commission. The proceeds from this tax are accounted for in the Bureau's General Fund.

State Sales Tax Rebate. Under the provisions of Louisiana Revised Statutes Section 47:332.12, the West Baton Rouge Parish Council is entitled to receive a portion of the state sales tax imposed on hotel occupancy within West Baton Rouge Parish. The money is to be used exclusively for the planning, development or capital improvements of tourism sites in West Baton Rouge Parish. The Parish Council has designated the West Baton Rouge Convention & Visitors Bureau to receive and expend these funds on behalf of the Parish Council. The proceeds from this source are accounted for in the Bureau's Special Revenue Funds. The West Baton Rouge Parish Council collects these funds.

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Notes to Financial Statements, continued

December 31, 2018

During 2018, the Convention & Visitors Bureau recognized income of \$556,167 from the state sales tax rebate. The Parish Council collected and recognized as income all other amounts due to the parish for the state sales tax rebate.

3. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets for the year ended December 31, 2018 is as follows:

	Beginning of Year	Additions	Reductions	End of Year
Land	\$ 834,056	\$ -	\$ -	\$ 834,056
Building & improvements	1,052,504	197,460	-	1,249,964
Christmas display	1,945	-	-	1,945
Office furniture and equipment	216,233	-	3,544	212,689
Vehicles	67,121	-	-	67,121
	<u>2,171,859</u>	<u>197,460</u>	<u>3,544</u>	<u>2,365,775</u>
Less accumulated depreciation	440,310	82,911	3,482	519,739
	<u>\$1,731,549</u>	<u>\$ 114,549</u>	<u>\$ 62</u>	<u>\$ 1,846,036</u>

4. LONG-TERM DEBT

During 2014 the Bureau issued certificates of indebtedness totaling \$250,000. The proceeds were used for repairs and renovations of the convention facilities.

The following is a summary of the Bureau's long-term debt transactions for the year ended December 31, 2018:

Type of Debt	Balance at December 31, 2017	Additions or Bonds Issued	Bonds Redeemed and Other Reductions	Balance at December 31, 2018	Amount due within One Year
<i>Governmental Activities:</i>					
Series 2014	\$ 183,000	\$ -	\$ 24,000	\$ 159,000	\$ 25,000
Compensated absences	40,678	55,782	58,971	37,489	-
Total governmental long-term debt	<u>\$ 223,678</u>	<u>\$ 55,782</u>	<u>\$ 82,971</u>	<u>\$ 196,489</u>	<u>\$ 25,000</u>

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Notes to Financial Statements, continued

December 31, 2018

Long-term debt payable at December 31, 2018 consisted of the following:

\$250,000 certificates of indebtedness, Series 2014 of the West Baton Rouge Convention & Visitors Bureau, payable annually through December 1, 2024, 3.06% interest \$ 159,000

The annual requirements to amortize the long-term debt payable as of December 31, are as follows:

Year Ending December 31,	Principal	Interest
2019	\$ 25,000	\$ 4,865
2020	25,000	4,100
2021	26,000	3,335
2022	27,000	2,540
2023	28,000	1,714
2024	28,000	857
	<u>\$ 159,000</u>	<u>\$ 17,411</u>

5. PER DIEM PAYMENTS

There were no per diem payments made during 2018 to board members of the West Baton Rouge Convention & Visitors Bureau.

6. OPERATING LEASES

The Bureau leases office equipment under long term leasing arrangements.

The minimum future lease payments receivable under non-cancelable operating leases are as follows:

Year Ending December 31,	
2019	\$ 10,170
2020	6,590
2021	1,580
	<u>\$ 18,340</u>

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Notes to Financial Statements, continued

December 31, 2018

7. RECONCILIATIONS

*Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net position*

Fund balances - total governmental funds \$ 812,970

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial statement of resources and, therefore, are not reported in the governmental funds

Governmental capital assets	\$ 2,365,775	
Less accumulated depreciation	<u>(519,739)</u>	
		1,846,036

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds

Bonds payable	\$ (159,000)	
Compensated absences	<u>(37,489)</u>	
		<u>(196,489)</u>
Net position of governmental activities		<u>\$ 2,462,517</u>

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Notes to Financial Statements, continued

December 31, 2018

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, Changes in Fund Balances to the Statement of Activities

Net change in fund balances - total governmental funds \$ (90,978)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	\$ 197,460	
Depreciation expense	<u>(82,911)</u>	
		114,549

The issuance of long term debt provides current financial resources to governmental funds, while the repayment of the principal of long term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.

Principal payments	\$ <u>24,000</u>	
		24,000

Some expenses reported in the statement of activities do not required the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated absences	\$ 3,189	
Gain (loss) on disposal of fixed assets	<u>(62)</u>	
		3,127

Change in net position of governmental activities		<u><u>\$ 50,698</u></u>
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WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Required Supplementary Information

December 31, 2018

WEST BATON ROUGE CONVENTION & VISITORS BUREAU

Statement of Revenues, Expenditures and
Changes in Net Position

Year Ended December 31, 2018

Budget (Legal Basis) and Actual - General Fund

	Budgeted Amounts		Actual Amounts GAAP Basis	Nonbudgeted Items and Adjustments	Actual (Budgetary Basis)	Budget to GAAP Differences Favorable (Unfavorable)
	Original	Final				
Revenues						
Conference center	\$ -	\$ -	\$ 159,474	\$ (10,630) ²	\$ 148,844	\$ 148,844
Special events	-	-	900	-	900	900
Hotel-Motel tax	800,000	703,000	603,615	-	603,615	(99,385)
Interest income	800	1,600	1,624	-	1,624	24
Grants and other income	4,000	3,950	2,668	-	2,668	(1,282)
Total revenues	804,800	708,550	768,281	(10,630)	757,651	49,101
Expenditures						
General government						
Advertising and marketing	10,000	10,000	12,917	-	12,917	(2,917)
Maintenance, repairs and security	60,000	72,000	80,170	396 ¹	80,566	(8,566)
Office, supplies and postage	152,000	58,600	141,483	(2,865) ¹	138,226	(79,626)
Audit and accounting	24,000	35,000	29,690	-	29,690	5,310
Insurance	20,000	23,000	15,533	-	15,533	7,467
Salaries, wages and related expenses	578,000	588,000	492,165	-	492,165	95,835
Utilities & telephone	44,000	44,000	39,884	140 ¹	40,024	3,976
Total expenditures	888,000	830,600	811,842	(2,329)	809,121	21,479
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (83,200)</u>	<u>\$ (122,050)</u>	<u>(43,561)</u>	<u>\$ (8,301)</u>	<u>\$ (51,470)</u>	<u>\$ 70,580</u>
Total fund balance						
Beginning			201,303			
Ending			<u>\$ 157,742</u>			

Explanation of differences

¹ Expenditures are budgeted on the cash basis - prior year's accounts payable \$2,581 are added and current year's accounts payable are subtracted \$4,910

² Revenues are budgeted on the cash basis - prior year's accounts receivable \$7,555 are added and current year's accounts receivable are subtracted \$18,185

WEST BATON ROUGE CONVENTION & VISITORS BUREAU
*Statement of Revenues, Expenditures and
Changes in Net Position*
Year Ended December 31, 2018
Budget (Legal Basis) and Actual - Special Revenue Fund

	Budgeted Amounts		Actual Amounts GAAP Basis	Nonbudgeted Items and Adjustments	Actual (Budgetary Basis)	Budget to GAAP Differences Favorable (Unfavorable)
	Original	Final				
Revenues						
Special events	\$ 70,000	\$ 80,800	\$ 88,329	\$ -	\$ 88,329	\$ 7,529
From the State:						
Sales tax rebate	600,000	526,000	556,167	-	556,167	30,167
Interest income	1,000	11,720	10,980	-	10,980	(740)
Grants and other income	170,000	20,000	19,689	150,000 ²	169,689	149,689
Total revenues	841,000	638,520	675,165	150,000	825,165	186,645
Expenditures						
General government						
Advertising and marketing	140,000	150,000	134,202	(22,718) ¹	111,484	38,516
Maintenance, repairs and security	20,000	20,000	11,439	-	11,439	8,561
Office, supplies and postage - Special Events	380,000	351,000	349,942	(23,476) ¹	326,369	24,631
Capital outlays	250,000	205,000	197,460	-	197,460	7,540
Debt service						
Principle	-	-	24,000	-	24,000	(24,000)
Interest	-	-	5,539	-	5,539	(5,539)
Total expenditures	790,000	726,000	722,582	(46,194)	676,291	49,709
Excess (Deficiency) of Revenues over Expenditures	\$ 51,000	\$ (87,480)	(47,417)	\$ 196,194	\$ 148,874	\$ 236,354
Total fund balance						
Beginning			702,645			
Ending			<u>\$ 655,228</u>			

Explanation of differences

¹ Expenditures are budgeted on the cash basis - prior year's accounts payable \$72,627 are added and current year's accounts payable are subtracted \$118,821

² Revenues are budgeted on the cash basis - prior year's accounts receivable \$150,438 are added and current year's accounts receivable are subtracted \$438

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Other Supplementary Information

December 31, 2018

WEST BATON ROUGE CONVENTION & VISITORS BUREAU*Schedule of Compensation, Benefits and Other Payments to
Agency Head**Year Ended December 31, 2018***Agency Head Name: Kathy Gautreau****Purpose**

Salary	\$ 90,759
Benefits - insurance	7,488
Benefits - retirement	2,129
Cell phone	339
Per Diem	618
Reimbursements	530
Travel - trade shows	3,305
Special meals	320
Membership	75
	<u>\$ 105,563</u>

**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***

Chairman and Members of the Board
West Baton Rouge Convention and Visitors Bureau
Port Allen, 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 financial statements of the governmental activities and each major fund of the West Baton Rouge Convention and Visitors Bureau (Bureau), a component unit of the West Baton Rouge Parish Council, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Bureau's basic financial statements, and have issued our report thereon dated June 27, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Bureau's internal control over financial reporting (internal control) to determine the 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 Bureau's internal control. Accordingly, we do not express an opinion on the effectiveness of the Bureau's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying *schedule of findings and responses*, we identified certain deficiencies in internal control that we consider to be material weaknesses.

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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying *schedule of findings and responses* to be material weaknesses (2018-001 and 2018-002).

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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the West Baton Rouge Convention and Visitors Bureau'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 determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

West Baton Rouge Convention & Visitors Bureau's Response to Findings

The West Baton Rouge Convention and Visitors Bureau's response to the findings identified in our audit are described in the accompanying *schedule of findings and responses*. The West Baton Rouge Convention and Visitors Bureau's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document. Accordingly, this communication is not suitable for any other purpose.

PROVOST, SALTER, HARPER & ALFORD, LLC



June 27, 2019
Baton Rouge, Louisiana

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Schedule of Findings and Responses

December 31, 2018

Section I – Internal Control Findings

Finding 2018-001

Material Weakness in Internal Control Over Financial Reporting-Inadequate Segregation of Duties

Criteria: The segregation of duties and responsibilities between different individuals for custody of assets, recordkeeping for those assets, and reconciliation of those asset accounts is an important control activity needed to adequately protect the entity's assets and ensure accurate financial reporting.

Condition: The entity does not employ enough personnel to achieve an optimum level of segregation of duties.

Context: We observed inadequate segregation of duties by observing the billing and cash payments function during fieldwork, and through interviews of personnel and management. Cash payments and cash receipts represent the cash flow of the entity.

Potential Effect: Errors could occur which could affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

Cause: The size of the entity and its limited accounting staff preclude an adequate segregation of duties and other features of an adequate system of internal control.

Recommendation: The resolution of this finding is not under the control of the Bureau as it may not be cost effective, however the Board and management should monitor the assignment of duties to insure as much segregation of duties as possible.

View of Responsible Official: It is not cost effective to totally correct this weakness but we do segregate duties as much as possible.

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Schedule of Findings and Responses, Continued

December 31, 2018

Finding 2018-002

Material Weakness in Internal Control Over Financial Reporting-Preparation of Financial Statements

Criteria: The reporting entity should be able to prepare financial statements in accordance with GAAP without outside assistance.

Condition: The entity does not employ anyone with sufficient training and knowledge who have the ability to prepare financial statements in accordance with Generally Accepted Accounting Principles (GAAP).

Context: Management is unable to prepare financial statements without outside assistance.

Potential Effect: Audit adjustments were recorded due to the lack of experience and training by the staff. The audit firm was also required to assist management in the preparation of financial statements in accordance with GAAP.

Cause: The Bureau does not have employees with sufficient expertise and training to prepare financial statements in accordance with GAAP.

Recommendation: The resolution of this finding is not under the control of the Bureau as it may not be cost effective, however the Board and management should periodically evaluate the cost/benefit of hiring personnel with sufficient knowledge and training.

View of Responsible Official: The Bureau's management is aware of this condition and believes hiring an employee with the requisite qualifications would be cost prohibitive. They believe the most cost effective solution is to have their external auditor assist in preparing year-end financial statements in accordance with GAAP.

WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Schedule of Prior Findings

December 31, 2018

RefNo.	Fiscal Year Finding Initially Occurred	Description of Finding	Status of the Finding	Current Year Finding RefNo.
2017-001	1996	Inadequate segregation of duties	Unresolved	2018-001
2017-002	2012	Lack of qualified personnel to apply GAAP in preparing financial statements	Unresolved	2018-002
2017-003	2017	Failure to comply with Government Budget Act to amend budget	Resolved	N/A

**INDEPENDENT
ACCOUNTANT'S REPORT
ON THE APPLICATION
OF AGREED-UPON PROCEDURES**

West Baton Rouge Convention and Visitors Bureau

September 30, 2018



8550 United Plaza Boulevard, Suite 600, Baton Rouge, Louisiana 70809, Phone: (225) 924-1772 / Facsimile: (225) 927-9075

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

To the Board and Management:
West Baton Rouge Convention and Visitors Bureau:

We have performed the procedures enumerated below, which were agreed to by West Baton Rouge Convention and Visitors Bureau and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period October 1, 2017 through September 30, 2018. The Entity's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards* issued by the Comptroller General of the United States. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

West Baton Rouge Convention and Visitors Bureau

Summary of Findings and Exceptions

September 30, 2018

Written Policies and Procedures

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

- a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
- 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.
- c) **Disbursements**, including processing, reviewing, and approving
- 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).
- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
- 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 all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

West Baton Rouge Convention and Visitors Bureau

Summary of Findings and Exceptions, Continued

September 30, 2018

Findings:

The Convention and Visitor's Bureau does not have written policies for Debt Service. Although the Bureau has a written policy for Ethics, the policy does not address the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, actions to be taken if an ethics violation takes place, a system to monitor possible ethics violations, or a requirement that all employees, including board members, annually attest through signature verification that they have read the entity's ethics policy. Written policies and procedures were reviewed and determined to be adequate for all other financial and business functions.

Board

Procedure 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.

Findings:

The Convention and Visitor's Bureau had no exceptions in this category in the prior year, therefore this procedure is exempt from testing.

- 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 and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds.

Findings:

The Convention and Visitor's Bureau had no exceptions in this category in the prior year, therefore this procedure is exempt from testing.

- c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted 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 unrestricted fund balance in the general fund.

West Baton Rouge Convention and Visitors Bureau

Summary of Findings and Exceptions, Continued

September 30, 2018

Findings:

The Convention and Visitor's Bureau had no exceptions in this category in the prior year, therefore this procedure is exempt from testing.

Bank Reconciliations

Procedure 3: Obtain a listing of client 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 selected each account, and observe that:

We obtained a listing of 3 bank accounts.

- 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)

Findings:

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)

Findings:

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.

Findings:

Management does not have documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months for 2 of the reconciliations selected for testing.

West Baton Rouge Convention and Visitors Bureau

Summary of Findings and Exceptions, Continued

September 30, 2018

Collections

Procedure 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).

Deposits are prepared at the Convention and Visitor's Bureau's Office in Port Allen.

Procedure 5: For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

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

Findings:

No exceptions noted.

- b.) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.

Findings:

No exceptions noted.

- c.) 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.

Findings:

No exceptions noted.

West Baton Rouge Convention and Visitors Bureau

Summary of Findings and Exceptions, Continued

September 30, 2018

- d.) 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.

Findings:

No exceptions noted.

- e.) 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.

Findings:

No exceptions noted.

Procedure 6: Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

Findings:

No exceptions noted.

Procedure 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.

Findings:

No exceptions noted.

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

West Baton Rouge Convention and Visitors Bureau

Summary of Findings and Exceptions, Continued

September 30, 2018

Findings:

No exceptions noted.

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

Findings:

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).

Findings:

2 deposits selected for testing were not made within 1 business day of receipt.

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

Findings:

No exceptions noted.

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

Procedure 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).

The Convention and Visitor's Bureau only processes payments at its office in Port Allen.

Procedure 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.

West Baton Rouge Convention and Visitors Bureau

Summary of Findings and Exceptions, Continued

September 30, 2018

Findings:

No exceptions noted.

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

Findings:

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.

Findings:

No exceptions noted.

- 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.

Findings:

No exceptions noted.

Procedure 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 invoice/billing statement.

Findings:

No exceptions noted.

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

Findings:

No exceptions noted.

West Baton Rouge Convention and Visitors Bureau

Summary of Findings and Exceptions, Continued

September 30, 2018

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

Procedure 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.

We obtained a listing of active credit cards.

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

We selected a random sample of 5 out of 16 credit cards that were active during the fiscal period.

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, 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.)]

Findings:

One of the monthly statements selected for testing was reviewed and approved by the cardholder.

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

Findings:

No exception noted.

Procedure 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).

West Baton Rouge Convention and Visitors Bureau

Summary of Findings and Exceptions, Continued

September 30, 2018

Findings:

3 transactions were not supported by itemized receipts that identified precisely what was purchased.

Travel and Expense Reimbursement

Procedure 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:

We obtained a listing of all travel and travel-related expense reimbursements during the fiscal period.

- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

Findings:

3 of the 5 reimbursements selected for testing were paid at a rate greater than either the rates of the State of Louisiana or the U.S. General Services Administration.

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

Findings:

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).

Findings:

No exceptions noted.

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

West Baton Rouge Convention and Visitors Bureau

Summary of Findings and Exceptions, Continued

September 30, 2018

Findings:

No exceptions noted.

Contracts

Procedure 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:

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

Findings:

The Convention and Visitor's Bureau had no exceptions in this category in the prior year, therefore this procedure is exempt from testing.

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

Findings:

The Convention and Visitor's Bureau had no exceptions in this category in the prior year, therefore this procedure is exempt from testing.

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

Findings:

The Convention and Visitor's Bureau had no exceptions in this category in the prior year, therefore this procedure is exempt from testing.

- 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.

West Baton Rouge Convention and Visitors Bureau

Summary of Findings and Exceptions, Continued

September 30, 2018

Findings:

The Convention and Visitor's Bureau had no exceptions in this category in the prior year, therefore this procedure is exempt from testing.

Payroll and Personnel

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

Findings:

The Convention and Visitor's Bureau had no exceptions in this category in the prior year, therefore this procedure is exempt from testing.

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

- a) Observe that all selected employees/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.)

Findings:

The Convention and Visitor's Bureau had no exceptions in this category in the prior year, therefore this procedure is exempt from testing.

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

Findings:

The Convention and Visitor's Bureau had no exceptions in this category in the prior year, therefore this procedure is exempt from testing.

West Baton Rouge Convention and Visitors Bureau

Summary of Findings and Exceptions, Continued

September 30, 2018

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

Findings:

The Convention and Visitor's Bureau had no exceptions in this category in the prior year, therefore this procedure is exempt from testing.

Procedure 18: Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

Findings:

The Convention and Visitor's Bureau had no exceptions in this category in the prior year, therefore this procedure is exempt from testing.

Procedure 19: Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Findings:

The Convention and Visitor's Bureau had no exceptions in this category in the prior year, therefore this procedure is exempt from testing.

Ethics

Procedure 20: Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:

- a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

West Baton Rouge Convention and Visitors Bureau

Summary of Findings and Exceptions, Continued

September 30, 2018

Findings:

The Convention and Visitor's Bureau did not have documentation that one of the five employees selected for testing had completed one hour of ethics training during the fiscal period.

- b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

Findings:

The Convention and Visitor's Bureau did not have documentation that two of the employees selected for testing had attested through signature verification that he or she had read the entity's ethics policy during the period.

Debt Service

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

Findings:

The Convention and Visitor's Bureau had no exceptions in this category in the prior year, therefore this procedure is exempt from testing.

Procedure 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.

Findings:

The Convention and Visitor's Bureau had no exceptions in this category in the prior year, therefore this procedure is exempt from testing.

West Baton Rouge Convention and Visitors Bureau

Summary of Findings and Exceptions, Continued

September 30, 2018

Other

Procedure 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.

Findings:

The Convention and Visitor's Bureau had no exceptions in this category in the prior year, therefore this procedure is exempt from testing.

Procedure 24: Observe that the entity has posted on its premises¹⁶ and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Findings:

The Convention and Visitor's Bureau had no exceptions in this category in the prior year, therefore this procedure is exempt from testing.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on 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.

The purpose of this report is 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 Legislative Auditor as a public document.

PROVOST, SALTER, HARPER & ALFORD, LLC



June 27, 2019



INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

WEST BATON ROUGE CONVENTION AND VISITORS BUREAU RESPONSES TO FINDINGS

- AUP 1 – Policy Manual was revised June 2019 to include the Louisiana Revised Statute 42:1111-1121 As well as the Financial Policy revised to include a Debt Service policy. All employees were given revised Policy Manual and signed that they received and read the Louisiana Revised Statute on Ethics. Also, I will give the Board of Directors a copy of the revised policy manual and financial policy and they will sign that they have received and read.
- AUP 3 – The West Baton Rouge CVB had a consistent turnover in the Bookkeeping position during the last few years. Presently we have a person in place with the knowledge and experience to perform the reconciliation function/process.
- AUP 7 – If we receive a check in the mail and we do not have a person who does not do the deposit or post the payment in the office we wait till we do. Also, if a check comes in on Thursday or Friday sometimes it is not deposited till the following Monday. We make every attempt to make deposits within 24 hours of receiving.
- AUP 12 – Sharon Stam is no longer with the Company she retired March 1, 2018. The policy in place presently is the Director of Special Events & Projects is receiving and reviewing the Credit Card monthly statements for the Executive Director. It is then approved if all items are legit.
- AUP 13 – The receipt for Port Allen Bakery was for a Conference Center client who requested donuts. I sent the copy of the invoice to the client showing where the Conference Center billed them for the donuts. I have instructed the ones in the office to always ask for an itemized receipt from now on. On the receipt for the Port Allen Tire & service one of our Maintenance guys brought the golf cart tire to them for repair. Even though they got the visa receipt they were not aware that they needed an itemized receipt and I have addressed this with them and they are now aware that they need to get itemized receipts for everything. Same scenario with the Po Folks Fruit Stand, Maintenance went to get the hay for Reflections of the Season.

AUP 14 – Lois and I just picked up the wrong line for the Lake Charles trip. I did the math and Lois and I were paid \$35.75 each too much. If we have to, we will reimburse the Company for this amount, however in the Accounting and Financial Policy on Page 16 it states “Additional daily per diem can be increased upon the discretion of the Executive Director not to exceed \$100.00 per day. This was in the policy approved by the Board of Directors in 2017. There is no way to get back the \$15.00 that Sharon was overpaid since she is no longer with the company