

**BROUSSARD FIRE DEPARTMENT**  
Broussard, Louisiana

Financial Report

Years Ended June 30, 2023 and 2022

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# KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

Brad E. Kolder, CPA, JD\*  
Gerald A. Thibodeaux, Jr., CPA\*  
Robert S. Cartar, CPA\*  
Arthur R. Mixon, CPA\*  
Stephen J. Anderson, CPA\*  
Matthew E. Margaglio, CPA\*  
Casey L. Ardoin, CPA, CFE\*  
Wanda F. Arcement, CPA  
Bryan K. Joubert, CPA  
Nicholas Fowlkes, CPA  
Deidre L. Stock, CPA

C. Burton Kolder, CPA\*  
Of Counsel

183 S. Beadle Rd.  
Lafayette, LA 70508  
Phone (337) 232-4141

1428 Metro Dr. 450 E. Main St  
Alexandria, LA 71301 New Iberia, LA 70560  
Phone (318) 442-4421 Phone (337) 367-9204

200 S. Main St. 1201 David Dr.  
Abbeville, LA 70510 Morgan City, LA 70380  
Phone (337) 883-7944 Phone (985) 384-2020

434 E. Main St. 11929 Bricksome Ave.  
Ville Platte, LA 70586 Baton Rouge, LA 70816  
Phone (337) 363-2792 Phone (225) 293-8300

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## INDEPENDENT AUDITOR'S REPORT

Victor R. Slaven, CPA\* - retired 2020  
Christine C. Doucet, CPA - retired 2022

\* A Professional Accounting Corporation

To the Board of Directors  
Broussard Fire Department  
Broussard, Louisiana

### Report on the Financial Statements

#### *Opinion*

We have audited the accompanying financial statements of the Broussard Fire Department (a nonprofit organization), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related 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 financial statements referred to above present fairly, in all material respects, the financial position of the Broussard Fire Department as of June 30, 2023 and 2022, and the changes in its 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 audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Broussard Fire Department and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Broussard Fire Department's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with generally accepted auditing standards we exercise professional judgment and maintain professional skepticism throughout the audit. We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Broussard Fire Department's internal control. Accordingly, no such opinion is expressed. We evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements. We conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Broussard Fire Department'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.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2023, on our consideration of the Broussard Fire Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization'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 the Broussard Fire Department's internal control over financial reporting and compliance.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
December 15, 2023

## **FINANCIAL STATEMENTS**

**BROUSSARD FIRE DEPARTMENT**  
**Broussard, Louisiana**

**Statements of Financial Position**  
**June 30, 2023 and 2022**

	2023	2022
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 93,219	\$ 164,591
<b>Noncurrent assets:</b>		
Construction in progress	643	-
Property and equipment, net	2,074,618	2,246,417
<b>Total noncurrent assets</b>	2,075,261	2,246,417
<b>Total assets</b>	\$ 2,168,480	\$2,411,008
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current liabilities:</b>		
Accounts payable	\$ 4,191	\$ 13,063
<b>Net assets:</b>		
Without donor restrictions	2,164,289	2,397,945
<b>Total liabilities and net assets</b>	\$ 2,168,480	\$2,411,008

The accompanying notes are an integral part of this statement.

**BROUSSARD FIRE DEPARTMENT**  
Broussard, Louisiana

Statements of Activities  
Years Ended June 30, 2023 and 2022

	2023	2022
<b>Changes in net assets without donor restrictions -</b>		
<b>Revenues:</b>		
<b>Contributions:</b>		
In-kind contributions - City of Broussard	\$ 1,833,248	\$ 1,515,907
Contributed equipment - City of Broussard	45,147	17,212
Miscellaneous donations	<u>16,850</u>	<u>19,950</u>
<b>Total contributions without donor restrictions</b>	<u>1,895,245</u>	<u>1,553,069</u>
<b>Other revenues:</b>		
Contract services	42,188	42,188
Lafayette Consolidated Government - fire insurance tax	117,584	62,413
Interest income	178	222
Fundraising	<u>4,263</u>	<u>7,977</u>
<b>Total other revenues without donor restrictions</b>	<u>164,213</u>	<u>112,800</u>
<b>Total contributions and other revenues without donor restrictions</b>	<u>2,059,458</u>	<u>1,665,869</u>
<b>Expenses and losses:</b>		
<b>Program services -</b>		
Fire fighting	<u>2,175,118</u>	<u>1,791,910</u>
<b>Supporting services -</b>		
Management and general	110,652	71,510
Fundraising	<u>4,660</u>	<u>5,433</u>
<b>Total supporting services</b>	<u>115,312</u>	<u>76,943</u>
<b>Total expenses</b>	<u>2,290,430</u>	<u>1,868,853</u>
<b>Nonoperating expenses:</b>		
Loss on sale of assets	<u>(2,683)</u>	<u>-</u>
<b>Total nonoperating expenses</b>	<u>(2,683)</u>	<u>-</u>
<b>Change in net assets without donor restrictions</b>	<u>(233,655)</u>	<u>(202,984)</u>
<b>Net assets without donor restrictions, beginning of year</b>	<u>2,397,945</u>	<u>2,600,929</u>
<b>Net assets without donor restrictions, end of year</b>	<u>\$ 2,164,289</u>	<u>\$ 2,397,945</u>

The accompanying notes are an integral part of this statement.

**BROUSSARD FIRE DEPARTMENT**  
Broussard, Louisiana

Statements of Functional Expenses  
Years Ended June 30, 2023 and 2022

	2023	2022
<b>Program services:</b>		
<b>Fire fighting -</b>		
Auto expense	\$ 119,577	\$ 79,199
Dues and subscriptions	30,669	27,333
Insurance	172,186	148,403
Fire prevention	5,184	3,786
Fire dog	1,406	2,364
Office supplies	18,594	32,941
Group insurance	8,120	7,785
Salaries	932,471	787,571
Payroll taxes	72,110	61,063
Retirement	3,891	3,817
Repairs and maintenance	63,902	50,330
Rehab supplies	4,174	2,284
Station supplies	49,877	39,335
Medical supplies	3,624	2,006
Uniforms	167,366	36,084
Training	38,324	16,137
Volunteer paid per call	117,044	146,857
Utilities and communication	79,745	61,467
Meals	6,048	4,837
Depreciation	280,806	278,312
<b>Total program services</b>	<b>2,175,118</b>	<b>1,791,910</b>
 <b>Supporting services:</b>		
<b>Management and general -</b>		
Advertising	1,245	2,118
Professional fees	94,590	58,871
Postal fees	2,029	1,627
Miscellaneous	12,788	8,894
<b>Total management and general</b>	<b>110,652</b>	<b>71,510</b>
<b>Fundraising</b>	<b>4,660</b>	<b>5,433</b>
<b>Total supporting services</b>	<b>115,312</b>	<b>76,943</b>
 <b>Total expenses</b>	<b>\$ 2,290,430</b>	<b>\$1,868,853</b>

The accompanying notes are an integral part of this statement.

**BROUSSARD FIRE DEPARTMENT**  
**Broussard, Louisiana**

**Statements of Cash Flows**  
**Years Ended June 30, 2023 and 2022**

	2023	2022
<b>Cash flows from operating activities:</b>		
Decrease in net assets	\$ (233,655)	\$ (202,984)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	280,806	278,312
In-kind contributions - equipment - City of Broussard	(45,147)	(17,212)
Increase (decrease) in accounts payable	(8,872)	(17,726)
Net cash provided (used) by operating activities	(6,868)	40,390
 <b>Cash flows from investing activities:</b>		
Acquisition of property and equipment	(64,503)	(63,447)
Decrease in cash and cash equivalents	(71,371)	(23,057)
 <b>Cash and cash equivalents, beginning of period</b>	<b>164,591</b>	<b>187,648</b>
 <b>Cash and cash equivalents, end of period</b>	<b>\$ 93,220</b>	<b>\$ 164,591</b>
 <b>Supplemental disclosure for the statement of cash flows:</b>		
 <b>Non-cash investing and financing activities:</b>		
Equipment contributed from City of Broussard	\$ 45,147	\$ 17,212

The accompanying notes are an integral part of this statement.

BROUSSARD FIRE DEPARTMENT  
Broussard, Louisiana

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

Organization

The Broussard Fire Department (Organization), component unit of the City of Broussard, Louisiana, is a non-profit corporation formed under the laws of the State of Louisiana for the purpose of impeding, preventing, and extinguishing all types of destructive fires within or near the City of Broussard, Louisiana; supervising, directing and controlling the proper care and use of all types of inflammable or combustible material found within the City; acquiring and holding property for purposes of the organization, and other related purposes.

A. Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

*Net assets without donor restrictions* – Net assets that are not subject to donor-imposed stipulations.

*Net assets with donor restrictions* – Net assets subject to donor-imposed stipulations will either (1) expire by incurring expenses satisfying the restricted purpose (purpose restricted), and/or the passage of time or other events (time restricted), or (2) will never expire (perpetual in nature). When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

B. Property and Equipment

The Organization capitalizes all property and equipment acquisitions in excess of \$1,000. Purchased property and equipment are stated at cost. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. In the absence of donor stipulations regarding how long the contributed asset must be used, the Organization has adopted a policy of implying a time restriction on contributions of such assets that expire over the useful lives of the assets. Depreciable assets are depreciated using the straight-line method over the estimated useful lives of the individual assets as follows:

Buildings and improvements	7 - 31 years
Equipment and vehicles	5 - 10 years

BROUSSARD FIRE DEPARTMENT  
Broussard, Louisiana

Notes to Financial Statements (Continued)

C. Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all instruments with maturities of three months or less to be cash equivalents.

D. Revenue and Expense Recognition

The Organization receives grants, contributions, contract services and other miscellaneous revenues. Grant revenues are recognized only to the extent that related expenses have been incurred. Contribution revenues are recognized when the donor makes a commitment to give to the Organization. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Contract service fees received from the City of Broussard and Lafayette Consolidated Government are earned annually representing the period over which the Organization satisfies the performance obligation. Other revenues are recognized when earned. Expenses are recognized in the period incurred in accordance with the accrual basis of accounting.

E. Functional Expenses

Expenses are charged directly to program or supporting services in general categories based on specific identification.

F. Income Taxes

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, and therefore, has no provision for federal income taxes. Since the Organization qualifies as an affiliate of a governmental unit, it is exempt from filing Form 990 *Return of Organization Exempt from Income Tax* as per Revenue Procedure 95-48.

G. Donated Services

A substantial number of volunteers have donated time to the Organization's program and supporting services. No amounts have been included in the financial statements for donated services since no objective basis is available to measure the value of such services.

H. Advertising Costs

Advertising costs are expensed as incurred. Total advertising expense was \$1,245 and \$2,118 for the years ended June 30, 2023 and 2022, respectively.

**BROUSSARD FIRE DEPARTMENT**  
**Broussard, Louisiana**

Notes to Financial Statements (Continued)

I. Use of Estimates

The preparation of financial statements in conformity with U.S. 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 revenues and expenditures during the reporting period. Actual results could differ from those estimates.

(2) Liquidity and Availability of Financial Assets

The Organization's financial assets consisting of cash and cash equivalents available within one year for general use as of June 30, 2023 and 2022 are \$93,219 and \$164,591, respectively. In order to manage liquidity, the Organization has a policy to structure its financial assets to be available as its general expenses, liabilities, and other obligations. The Organization did not have cash deposits (bank balances) that were in excess of federally insured limits as of June 30, 2023 and 2022.

(3) Risk Management

The Organization is exposed to risks of loss in the areas of auto liability, general liability, management liability and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage (funded by City of Broussard contributions). There have been no significant reductions in the insurance coverage during the year, nor have settlements exceeded coverage for the past three years.

(4) Property and Equipment

The following is a summary of property and equipment at June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Land	\$ 30,000	\$ 30,000
Construction in progress	643	-
Buildings and improvements	720,581	688,531
Equipment and vehicles	<u>3,921,713</u>	<u>3,947,975</u>
Total property and equipment	4,672,937	4,666,506
Less: Accumulated depreciation	<u>(2,597,676)</u>	<u>(2,420,089)</u>
Property and equipment, net	<u>\$ 2,075,261</u>	<u>\$ 2,246,417</u>

Depreciation expense charged to operations amounted to \$280,806 and \$278,312 for the years ended June 30, 2023 and 2022, respectively.

BROUSSARD FIRE DEPARTMENT  
Broussard, Louisiana

Notes to Financial Statements (Continued)

(5) City of Broussard - Contributions

The City of Broussard pays for expenses and equipment on behalf of the Organization, which are recorded as in-kind contributions revenue or contributed equipment and included in the various program and supporting services expenses or capitalized. During the years ended June 30, 2023 and 2022, equipment in the amount of \$45,147 and \$17,212, respectively, was paid by the City and included in the changes in temporarily restricted net assets. In-kind contributions for the years ended June 30, 2023 and 2022 in the amount of \$1,833,248 and \$1,515,907, respectively, were paid by the City for the following:

	2023	2022
Program services:		
Salaries and related benefits	\$ 1,131,593	\$ 1,005,236
Auto expense	119,199	79,133
Insurance	172,186	148,403
Supplies, repairs, and maintenance	195,525	126,239
Utilities and communication	79,745	61,467
Total program services	1,698,248	1,420,478
Supporting services - management and general		
Professional fees	121,605	84,791
Miscellaneous	13,395	10,638
Total supporting services - management and general	135,000	95,429
Total in-kind contributions	\$ 1,833,248	\$ 1,515,907

(6) Compensation, Benefits, and Other Payments to Agency Head

The schedules of compensation, benefits, and other payments to Chief Bryan Champagne for the years ended June 30, 2023 and 2022, respectively, are as follows:

	2023	2022
Purpose:		
Salary	\$ 51,226	\$ 48,327
Cell phone reimbursements	600	600
Total	\$ 51,826	\$ 48,927

(7) Subsequent Event Review

The Organization has evaluated subsequent events through December 15, 2023, the date which the financial statements were made available.

**INTERNAL CONTROL,  
COMPLIANCE  
AND  
OTHER MATTERS**

# KOLDER, SLAVEN & COMPANY, LLC

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

To the Board of Directors  
Broussard Fire Department  
Broussard, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Broussard Fire Department (a nonprofit organization), a component unit of the City of Broussard, Louisiana, which comprise the statement of financial position as of June 30, 2023, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 15, 2023.

### Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

## **Compliance and Other Matters**

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

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
December 15, 2023

**BROUSSARD FIRE DEPARTMENT**  
Broussard, Louisiana

**Summary Schedule of Current Year and Prior Year Findings  
And Management's Corrective Action Plan**

**Part I. Current Year Findings and Management's Corrective Action Plan**

**A. Compliance Findings –**

There are no findings to report under this section.

**B. Internal Control Findings –**

There are no findings to report under this section.

**Part II. Prior Year Findings**

**A. Compliance Findings –**

There are no findings to report under this section.

**B. Internal Control Findings –**

There are no findings to report under this section.

**BROUSSARD FIRE  
DEPARTMENT**  
Broussard, Louisiana

**Agreed-Upon Procedures Report**

Year Ended June 30, 2023

# KOLDER, SLAVEN & COMPANY, LLC

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

To the Board of Directors of the  
Broussard Fire Department and the  
Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2022 through June 30, 2023. Broussard Fire Department (Entity) management is responsible for those C/C areas identified in the SAUPs.

The Broussard Fire Department has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2022 through June 30, 2023. 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. We obtained and inspected the Entity's written policies and procedures and observed whether 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, (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.
- 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) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- h) **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in 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.
- l) **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

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

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- 2. We obtained and inspected 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) Observed 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.
  - b) Observed 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.
  - c) Obtained the prior year audit report and observed 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, observed 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.

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

### ***Bank Reconciliations***

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3. We obtained a listing of the Entity's bank accounts for the fiscal period from management and management's representation that the listing is complete. We asked management to identify the Entity's main operating account. We selected the Entity's main operating account and randomly selected 4 additional accounts (or all accounts if less than 5). We randomly selected one month from the fiscal period, obtained and inspected the corresponding bank statement and reconciliation for selected accounts, and observed that:
  - a) Bank reconciliations included evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
  - b) Bank reconciliations included 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
  - 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.

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

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4. We obtained 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. We randomly selected 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, we obtained a listing of collection locations and management's representation that the listing is complete. We randomly selected one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtained and inspected written policies and procedures relating to employee job duties (if no written policies or procedures, inquired of employees about their job duties) at each collection location, and observed that job duties are properly segregated at each collection location such that:
  - a) Employees that are responsible for cash collections do not share cash drawers/registers.
  - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
  - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
  - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. We obtained from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. We observed the bond or insurance policy for theft was enforced during the fiscal period.

7. We randomly selected two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (selected the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly selected 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.* We obtained supporting documentation for each of the 10 deposits and:
  - a) Observed that receipts are sequentially pre-numbered.
  - b) Traced sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
  - c) Traced the deposit slip total to the actual deposit per the bank statement.
  - d) Observed that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
  - e) Traced the actual deposit per the bank statement to the general ledger.

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

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8. We obtained a listing of locations that process payments for the fiscal period and management's representation that the listing was complete. We randomly selected 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, we obtained a listing of those employees involved with non-payroll purchasing and payment functions. We obtained 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 we observed 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.
  - b) At least two employees are involved in processing and approving payments to vendors.
  - 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.
  - 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.
  - e) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.
10. For each location selected under #8 above, we obtained the Entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and we obtained management's representation that the population is complete. We randomly selected 5 disbursements for each location, we obtained supporting documentation for each transaction and:
  - a) We observed whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
  - b) We observed that the disbursement documentation includes evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

11. Using the Entity's main operating account and month selected in Bank Reconciliations procedure #3, we randomly selected 5 non-payroll electronic disbursements (or all electronic disbursements if less than 5) and observed that each electronic disbursement was:
  - a) Approved by only those persons authorized to disburse funds (e.g., sign checks) per the Entity's policy, and
  - b) Approved by the required number of authorized signers per the Entity's policy.

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

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12. We obtained from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. We obtained management's representation that the listing is complete.
13. Using the listing prepared by management, we randomly selected 5 cards (or all cards if less than 5) that were used during the fiscal period. We randomly selected one monthly statement or combined statement for each card (for a debit card, we randomly selected one monthly bank statement), we obtained supporting documentation, and:
  - a) We observed that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.
  - b) We observed that finance charges and late fees were not assessed on the selected statements.
14. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, we randomly selected 10 transactions (or all transactions if less than 10) from each statement, and obtained supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, we observed 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, we described the nature of the transaction and noted whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

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

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15. We obtained 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. We randomly selected 5 reimbursements, we obtained 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:
  - a) If reimbursed using a per diem, we observed the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).
  - b) If reimbursed using actual costs, we observed that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
  - c) We observed that each reimbursement is supported by documentation of the business/public purpose (for meal charges, we observed that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1g).
  - d) We observed that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

## ***Contracts***

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16. We obtained from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* We obtained management's representation that the listing is complete. We randomly selected 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
- a) We observed that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
  - b) We observed that the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
  - c) If the contract was amended (e.g., change order), we observed that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
  - d) We randomly selected one payment from the fiscal period for each of the 5 contracts, we obtained the supporting invoice, agreed the invoice to the contract terms, and observed that the invoice and related payment agreed to the terms and conditions of the contract.

## ***Payroll and Personnel***

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17. We obtained a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. We randomly selected 5 employees/officials, we obtained related paid salaries and personnel files, and we agreed paid salaries to authorized salaries/pay rates in the personnel files.
18. We randomly selected one pay period during the fiscal period. For the 5 employees/officials selected under #17 above, we obtained attendance records and leave documentation for the pay period, and:
- a) We observed that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
  - b) We observed that supervisors approved the attendance and leave of the selected employees/officials.
  - c) We observed that any leave accrued or taken during the pay period is reflected in the Entity's cumulative leave records.
  - d) We observed the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
19. We obtained a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. We randomly selected two employees/officials, we obtained related documentation of the hours and pay rates used in management's termination payment calculations and the Entity's policy on termination payments. We agreed the hours to the employee or officials' cumulate leave records, agreed the pay rates to the employee/officials' authorized pay rates in the employee or officials' personnel files, and agreed the termination payment to entity policy.
20. We obtained 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.

### ***Ethics***

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21. Using the 5 randomly selected employees/officials from procedure #17 under "Payroll and Personnel" above, we obtained ethics documentation from management, and:
  - a) We observed that the documentation demonstrates each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170.
  - b) We observed 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.
22. We inquired and/or observed whether the Entity has appointed an ethics designee as required by R.S. 42:1170.

### ***Debt Service***

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23. We obtained a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. We selected all debt instruments on the listing, obtained supporting documentation, and observed State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
24. We obtained a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. We randomly selected one bond/note, inspected debt covenants, obtained supporting documentation for the reserve balance and payments, and agreed 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).

### ***Fraud Notice***

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25. We obtained a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing was complete. Selected all misappropriations on the listing, obtained supporting documentation, and observed that the Entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the Entity is domiciled as required by R.S. 24:523.
26. Observed 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.

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

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27. We performed the following procedures, verbally discussed the results with management, and reported "We performed the procedure and discussed the results with management."
  - a) We obtained and inspected 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 observed evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
  - b) We obtained and inspected 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 observed evidence that the test/verification was successfully performed within the past 3 months.

- c) We obtained a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. We randomly selected 5 computers and observed 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.
28. We randomly selected 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #19 above. We observed evidence that the selected terminated employees have been removed or disabled from the network.

***Prevention Sexual Harassment***

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29. Using the 5 randomly selected employees/officials from procedure #17 under "Payroll and Personnel" above, we obtained sexual harassment training documentation from management, and observed the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
30. We observed 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).
31. We obtained the Entity's annual sexual harassment report for the current fiscal period, observed that the report was dated on or before February 1, and observed it includes the applicable requirements of R.S. 42:344:
- a) Number and percentage of public servants in the agency who have completed the training requirements;
  - b) Number of sexual harassment complaints received by the agency;
  - c) Number of complaints which resulted in a finding that sexual harassment occurred;
  - d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
  - e) Amount of time it took to resolve each complaint.

***Exceptions:***

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No exceptions were found as a result of applying the procedures listed above.

We were engaged by the Entity 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 from the Entity 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.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
December 15, 2023