

**EVANGELINE PARISH
COMMUNICATIONS DISTRICT**

Financial Report

Year Ended December 31, 2018

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	1-2
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)	
Statement of net position	5
Statement of activities	6
FUND FINANCIAL STATEMENTS (FFS)	
Balance sheet - governmental fund	8
Reconciliation of the governmental fund balance sheet to the statement of net position	9
Statement of revenues, expenditures, and change in fund balance- governmental fund	10
Reconciliation of the statement of revenues, expenditures, and change in fund balance of governmental fund to the statement of activities	11
Notes to basic financial statements	12-21
REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary comparison schedule - General Fund	23
Notes to the required supplementary information	24
INTERNAL CONTROL AND COMPLIANCE	
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on and Audit of Financial Statements Performed in accordance with <i>Government Auditing Standards</i>	26-27
Summary schedule of current and prior year audit findings and corrective action plan	28

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Victor R. Slaven, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Brad E. Kolder, CPA, JD*
Stephen J. Anderson, CPA*
Christine C. Doucet, CPA
Wanda F. Arcement, CPA, CVA
Bryan K. Joubert, CPA
Matthew E. Margaglio, CPA

183 S. Beadle Rd. 11929 Bricksome Ave.
Lafayette, LA 70508 Baton Rouge, LA 70816
Phone (337) 232-4141 Phone (225) 293-8300

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. 1234 David Dr. Ste. 203
Abbeville, LA 70510 Morgan City, LA 70380
Phone (337) 893-7944 Phone (985) 384-2020

434 E. Main St. 332 W. Sixth Ave.
Ville Platte, LA 70586 Oberlin, LA 70655
Phone (337) 363-2792 Phone (337) 639-4737

INDEPENDENT AUDITOR'S REPORT

* A Professional Accounting Corporation

WWW.KCSRPCAS.COM

The President and Members of
the Board of Commissioners
Evangeline Parish Communications District
Ville Platte, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of the Evangeline Parish Communications District (Communications District), a component unit of the Evangeline Parish Police Jury, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Communications District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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 opinions 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 opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Communications District, as of December 31, 2018, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that budgetary comparison information (page 23) 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.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 30, 2019, on our consideration of the Communications District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Communications District'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 Communications District's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Ville Platte, Louisiana
April 30, 2019

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

Evangeline Parish Communications District
Ville Platte, Louisiana

Statement of Net Position
December 31, 2018

	<u>Governmental Activities</u>
ASSETS	
Cash and interest-bearing deposits	\$ 866,094
Receivables, net	305,765
Capital assets, net	<u>2,635,811</u>
Total assets	<u>3,807,670</u>
LIABILITIES	
Long-term liabilities:	
Portion due within one year - Bonds payable	61,000
Portion due after one year - Bonds payable	<u>1,322,000</u>
Total liabilities	<u>1,383,000</u>
NET POSITION	
Net investment in capital assets	1,252,811
Unrestricted	<u>1,171,859</u>
Total net position	<u>\$2,424,670</u>

The accompanying notes are an integral part of the basic financial statements.

Evangeline Parish Communications District
Ville Platte, Louisiana

Statement of Activities
For the Year Ended December 31, 2018

Activities	Expenses	Program Revenues Charges for Services	Net (Expense) Revenue and Changes in Net Position
Governmental activities:			Governmental Activities
Public safety	\$ 776,222	\$ 623,745	\$ (152,477)
Interest on long-term debt	53,446	-	(53,446)
	\$ 829,668	\$ 623,745	(205,923)
General revenues:			
			242,939
			10,338
			4,802
			258,079
			52,156
			2,372,514
			\$ 2,424,670

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS (FFS)

Evangeline Parish Communications District
Ville Platte, Louisiana

Balance Sheet
Governmental Fund - General Fund
December 31, 2018

ASSETS

Cash and interest-bearing deposits	\$ 866,094
Revenue receivable, net	<u>305,765</u>
Total assets	<u>\$1,171,859</u>

FUND BALANCE

Fund balance, unassigned	<u>\$1,171,859</u>
--------------------------	--------------------

The accompanying notes are an integral part of the basic financial statements.

Evangeline Parish Communications District
Ville Platte, Louisiana

Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
December 31, 2018

Total fund balance for governmental funds at December 31, 2018	\$1,171,859
Total net position reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:	
Land	\$ 20,800
Buildings and improvements, net of \$161,957 accumulated depreciation	2,489,956
Furniture and equipment, net of \$221,181 accumulated depreciation	<u>125,055</u>
	2,635,811
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Long-term liabilities at year end consist of bonds payable	<u>(1,383,000)</u>
Net position at December 31, 2018	<u>\$2,424,670</u>

The accompanying notes are an integral part of the basic financial statements.

Evangeline Parish Communications District
Ville Platte, Louisiana

Statement of Revenues, Expenditures, and Change in Fund Balance -
Governmental Fund - General Fund
For the Year Ended December 31, 2018

Revenues:	
Ad valorem tax	\$ 242,939
Charges for services -	
Telephone surcharges	215,480
Cellular surcharges	371,754
Dispatching services	36,511
Miscellaneous income	10,338
Interest on deposits	<u>4,802</u>
Total revenues	<u>881,824</u>
Expenditures:	
Public safety -	
Advertising	941
Auto	1,322
Dues and subscriptions	3,264
Repairs and maintenance	56,822
Insurance	29,183
Convention and seminar	5,411
Equipment lease	14,521
Office	34,072
Postage	176
Miscellaneous	3,368
Supplies	12,345
Telephone	14,249
Utilities	21,426
Professional fees	15,655
Salaries and related benefits	464,089
Capital outlay	30,790
Debt service	<u>112,446</u>
Total expenditures	<u>820,080</u>
Excess of revenues over expenditures	61,744
Fund balance, beginning	<u>1,110,115</u>
Fund balance, ending	<u>\$1,171,859</u>

The accompanying notes are an integral part of the basic financial statements.

Evangeline Parish Communications District
Ville Platte, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Change in Fund Balance of Governmental Fund
to the Statement of Activities
For the Year Ended December 31, 2018

Total change in fund balance for the year ended December 31, 2018 per statement of revenues, expenditures and change in fund balance	\$61,744
The change in net position reported for governmental activities in the statement of activities is 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 which is considered expenditures on the statement of revenues, expenditures and changes in fund balance	\$ 30,790
Depreciation expense	<u>(99,378)</u> (68,588)
Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position	<u>59,000</u>
Change in net position for year ended December 31, 2018 per statement of activities	<u>\$52,156</u>

The accompanying notes are an integral part of the basic financial statements.

EVANGELINE PARISH COMMUNICATIONS DISTRICT
Ville Platte, Louisiana

Notes to the Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the Evangeline Parish Communications District (Communications District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

A. Financial Reporting Entity

The Evangeline Parish Communications District (hereafter referred to as the "Communications District") has been created by and in accordance with provisions of Louisiana Revised Statute Title 33, Chapter 31, Section 9101-9106 for the purpose of establishing an Enhanced Emergency 911 Service. The Communications District's board consists of nine members who are appointed by the Evangeline Parish Police Jury and serve four year terms. Board members receive no compensation.

This report includes all funds, which are controlled by or dependent on the District and legislative branches (the President and Board of Commissioners). Control by or dependence on the Communication's District was determined on the basis of general oversight responsibility.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the reporting government as a whole. They include the fund of the reporting entity, which is considered to be a governmental activity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Communications District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

EVANGELINE PARISH COMMUNICATIONS DISTRICT
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

Fund Financial Statements (FFS)

The accounts of the Communications District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The fund of the Communications District is classified as a governmental fund. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The Communications District reports the following major governmental fund:

General Fund

The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the Communications District and is used to account for the operations of the Communications District's office. The various fees and charges due to the Communications District's office are accounted for in this fund. General operating expenditures are paid from this fund.

C. Measurement Focus/Basis of Accounting

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

EVANGELINE PARISH COMMUNICATIONS DISTRICT
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

Measurement Focus

In the government-wide statement of net position and the statement of activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and financial position. All assets and liabilities (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net position. In the fund financial statements, the "current financial resources" measurement focus is used. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.

Basis of Accounting

In the government-wide statement of net position and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues are classified by source and expenditures are classified by function and character. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Program revenues

Program revenues included in the statement of activities are derived directly from the program itself or from parties outside the Communication District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Communications District's general revenues.

EVANGELINE PARISH COMMUNICATIONS DISTRICT
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

Use of Restricted Resources

When both restricted and unrestricted resources are available for use, it is the Communications District's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Equity

Cash and interest-bearing deposits

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Communications District.

Prepaid items

Payments made to vendors for services that will benefit periods beyond December 31, 2018, are recorded as prepaid items.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their acquisition value at the date of donation. The Communications District maintains a threshold level of \$5,000 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings and improvements	15-40 years
Furniture, fixtures and equipment	5-10 years

Long-term debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements. Since the Communications District doesn't have a proprietary fund, all long-term debt is used in governmental fund operations.

EVANGELINE PARISH COMMUNICATIONS DISTRICT
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of revenue tax bonds.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal, interest, and issuance costs are reported as expenditures.

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. There are no deferred inflows or outflows as of December 31, 2018.

Equity Classifications

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

- a. Net investment in capital assets – consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- b. Restricted net position – consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.
- c. Unrestricted net position – consist of all other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balances of the governmental funds are classified as follows.

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

EVANGELINE PARISH COMMUNICATIONS DISTRICT
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

- b. 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.
- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the Communications District’s Board, which is the highest level of decision-making authority for the Communications District.
- d. 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. Under the Communications District’s adopted policy, only the Communications District’s Board may assign amounts for specified purposes.
- e. Unassigned – all other spendable amounts.

When an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available, the Communications District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Communications District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Communications District has provided otherwise in his commitment or assignment actions.

E. Use of 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, deferred outflows of resources, liabilities, deferred inflows of resources, and disclosure of contingent assets, deferred outflows of resources, liabilities, deferred inflows of resources 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) Cash and Interest-Bearing Deposits

Under state law, the Communications District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Communications District may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2018, the Communications District has cash and interest-bearing deposits (book balances) totaling \$866,094 as follows:

EVANGELINE PARISH COMMUNICATIONS DISTRICT
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

Demand deposits	\$ 155,462
Time, savings, and money market deposits	<u>710,632</u>
Total	<u>\$ 866,094</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Communications District's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. 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 similar federal security 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 the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at December 31, 2018, were secured as follows:

Bank balances	<u>\$ 869,954</u>
Federal deposit insurance	\$ 840,809
Pledged securities	<u>29,145</u>
Total	<u>\$ 869,954</u>

Deposits in the amount of \$29,145 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institutions' trust department or agent, but not in the Communications District's name. The Communications District does not have a policy for custodial credit risk.

(3) Receivables

Receivables at December 31, 2018 of \$305,765 consist of the following:

Ad valorem taxes, net	\$ 232,720
Charges for services:	
Telephone and cellular surcharges	<u>73,045</u>
	<u>\$ 305,765</u>

EVANGELINE PARISH COMMUNICATIONS DISTRICT
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

(4) Capital Assets

Capital asset balances and activity for the year ended December 31, 2018 are as follows:

	<u>Balance</u> 1/1/2018	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> 12/31/2018
Capital assets not being depreciated:				
Land	\$ 20,800	\$ -	\$ -	\$ 20,800
Other capital assets:				
Buildings and improvements	2,651,913	-	-	2,651,913
Furniture, fixtures and equipment	<u>343,461</u>	<u>30,790</u>	<u>28,015</u>	<u>346,236</u>
Total	3,016,174	30,790	28,015	3,018,949
Less accumulated depreciation	<u>311,775</u>	<u>99,378</u>	<u>28,015</u>	<u>383,138</u>
Net capital assets	<u>\$2,704,399</u>	<u>\$ (68,588)</u>	<u>\$ -</u>	<u>\$2,635,811</u>

Depreciation expense of \$99,378 was charged to the public safety function.

(5) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied in September or October and billed to the taxpayers by the Evangeline Parish Sheriff in December. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Evangeline Parish Assessor and are collected by the Sheriff.

For the year ended December 31, 2018, taxes were levied at the rate of 1.00 mills on property with assessed valuations totaling \$243,038,681.

Total taxes levied during 2018 were \$243,039. Taxes receivable at December 31, 2018 were \$232,720, net of an allowance for uncollectible taxes of \$1,903.

(6) Intergovernmental Agreements

The Evangeline Parish Communications District contracts with the Evangeline Parish Police Jury in an intergovernmental agreement in which the Police Jury provides all employees necessary to operate the District. The District subsequently reimburses the Police Jury for all salaries and related benefits, including payroll taxes, insurance and pension.

EVANGELINE PARISH COMMUNICATIONS DISTRICT
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

(7) Changes in Long-Term Liabilities

The following is a summary of long-term liability transactions for the year ended December 31, 2018.

Balance of bonds payable, January 1, 2018	\$ 1,442,000
Additions	-
Deletions	<u>59,000</u>
Balance of bonds payable, December 31, 2018	<u>\$ 1,383,000</u>
Amount due in one year	<u>\$ 61,000</u>

Bonds payable consist of \$1,500,000 Limited Revenue Tax Bonds, Series 2016, dated April 1, 2015, due in annual installments of \$61,000 through \$110,000; interest at 2.360% to 4.490%, secured by and payable from telephone bill surcharges and an irrevocable pledge and dedication of the proceeds of a 1.00 mills ad valorem tax.

Annual debt service requirements to maturity for the bonds are as follows:

Year Ending December 31,	Principal	Interest	Total
2019	\$ 61,000	\$ 52,104	\$ 113,104
2020	62,000	50,575	112,575
2021	64,000	48,847	112,847
2022	66,000	46,899	112,899
2023	68,000	44,748	112,748
2024-2028	381,000	184,528	565,528
2029-2033	465,000	99,871	564,871
2034-2035	<u>216,000</u>	<u>9,767</u>	<u>225,767</u>
	<u>\$ 1,383,000</u>	<u>\$ 537,339</u>	<u>\$ 1,920,339</u>

(8) Implementation of Wireless E911 Service

In accordance with Louisiana Revised Statute 33:9109, the Communications District is authorized to collect emergency telephone service charges on wireless communications systems to pay the costs of implementing FCC ordered enhancements. Once these enhancements have been made and the system implementation is complete, the proceeds can be used for any lawful purpose of the Communications District. As of December 31, 2018, all enhancements are complete. Collections of wireless service charges totaled \$371,754 for the year ending December 31, 2018.

EVANGELINE PARISH COMMUNICATIONS DISTRICT
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

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

A detail of compensation, benefits, and other payments to Liz Hill, Director for the year ended December 31, 2018 follows:

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 76,100
Benefits - insurance	5,341
Benefits - retirement	8,758
Mileage and meals	305
Cell phone	1,628
Dues	347
CPE and registration fees	100
Hotels	608
	<u>\$ 93,187</u>

(10) Tax Abatements

The Communications District is subject to property tax abatements as follows:

A lease agreement between the Industrial Development Board and Pine Prairie Energy Center, LLC, in connection with, the issuance of the \$50,000,000 Industrial Development Revenue Bonds, allowed for the exemption of ad valorem taxes. This agreement, which was approved by the Evangeline Parish Police Jury, is for the inducement of economic development in Evangeline Parish. The tax exemption will continue for the term of the lease. For the year ended December 31, 2018 the Communications District abated ad valorem tax in the amount of \$22,201.

The Industrial Ad Valorem Tax Exemption Program (ITEP) provided through the Louisiana Department of Economic Development, (authorized pursuant to Article VII, Part II, Section 21(F) of the Louisiana Constitution of 1974) authorizes the abatement of ad valorem taxes for a period of up to ten years on capital improvements and equipment related to manufacturing. The Communications District abated property taxes to entities in the parish through the ITEP in the amount of \$11,772 for the year ended December 31, 2018.

(11) Risk Management

The Communications District is exposed to risks of loss in the areas of auto and property liability and surety bonds. All these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year, nor have settlements exceeded coverage for the past three years.

(12) Litigation

There is no litigation pending against the Communications District at December 31, 2018.

**REQUIRED
SUPPLEMENTARY INFORMATION**

Evangeline Parish Communications District
Ville Platte, Louisiana

Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2018

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
Revenues:				
Ad valorem tax	\$ 250,000	\$ 237,347	\$ 242,939	\$ 5,592
Charges for services -				
Telephone surcharges	234,000	214,218	215,480	1,262
Cellular surcharges	320,000	375,841	371,754	(4,087)
Dispatching services	37,449	36,511	36,511	-
Miscellaneous	3,000	4,970	10,338	5,368
Interest on deposits	3,000	4,017	4,802	785
Total revenues	<u>847,449</u>	<u>872,904</u>	<u>881,824</u>	<u>8,920</u>
Expenditures:				
Public safety -				
Advertising	-	-	941	(941)
Auto	6,000	8,937	1,322	7,615
Dues and subscriptions	-	-	3,264	(3,264)
Repairs and maintenance	15,000	12,787	56,822	(44,035)
Insurance	22,000	30,232	29,183	1,049
Seminar/convention	10,000	5,573	5,411	162
Equipment lease	55,500	54,329	14,521	39,808
Office	50,000	60,114	34,072	26,042
Postage	-	-	176	(176)
Miscellaneous	1,500	42	3,368	(3,326)
Supplies	-	2,359	12,345	(9,986)
Telephone	-	-	14,249	(14,249)
Utilities	-	-	21,426	(21,426)
Professional fees	9,000	17,955	15,655	2,300
Salaries and related benefits	548,157	444,709	464,089	(19,380)
Capital outlay	150,000	63,499	30,790	32,709
Debt service	113,000	112,446	112,446	-
Total expenditures	<u>980,157</u>	<u>812,982</u>	<u>820,080</u>	<u>(7,098)</u>
Excess (deficiency) of revenues over expenditures	(132,708)	59,922	61,744	1,822
Fund balance, beginning	<u>1,110,115</u>	<u>1,110,115</u>	<u>1,110,115</u>	<u>-</u>
Fund balance, ending	<u>\$ 977,407</u>	<u>\$ 1,170,037</u>	<u>\$ 1,171,859</u>	<u>\$ 1,822</u>

EVANGELINE PARISH COMMUNICATIONS DISTRICT
Ville Platte, Louisiana

Notes to the Required Supplementary Information
For the Year Ended December 31, 2018

(1) Budgets and Budgetary Accounting

The Evangeline Parish Communications District follows these procedures in establishing the budgetary data reflected in the financial statements:

The Director prepares a proposed budget and submits it to the Board for the fiscal year no later than fifteen days prior to the beginning of each fiscal year. A summary of the proposed budget is published, and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing. After holding the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted. All budgetary appropriations lapse at the end of each fiscal year. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Communications District.

(2) Excess of Expenditures Over Appropriations

The general fund incurred expenditures in excess of appropriations in the amount of \$7,098 for the year ended December 31, 2018.

**INTERNAL CONTROL
AND
COMPLIANCE**

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Victor R. Slaven, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Brad E. Kolder, CPA, JD*
Stephen J. Anderson, CPA*
Christine C. Doucet, CPA
Wanda F. Arcement, CPA, CVA
Bryan K. Joubert, CPA
Matthew E. Margaglio, CPA

183 S. Beadle Rd. 11929 Bricksome Ave.
Lafayette, LA 70508 Baton Rouge, LA 70816
Phone (337) 232-4141 Phone (225) 293-8300

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. 1234 David Dr. Ste. 203
Abbeville, LA 70510 Morgan City, LA 70380
Phone (337) 893-7944 Phone (985) 384-2020

434 E. Main St. 332 W. Sixth Ave.
Ville Platte, LA 70586 Oberlin, LA 70655
Phone (337) 363-2792 Phone (337) 639-4737

* A Professional Accounting Corporation

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*

WWW.KCSRPCAS.COM

The President and Members of
the Board of Commissioners
Evangeline Parish Communications District
Ville Platte, 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 governmental activities and the major fund of the Evangeline Parish Communications District (Communications District), a component unit of the Evangeline Parish Police Jury, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Communications District's basic financial statements, and have issued our report thereon dated April 30, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Communications District'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Communications District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Communications District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control 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 summary schedule of current and prior year audit findings and corrective action plan, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiency described in the accompanying summary schedule of current and prior year audit findings and corrective action plan as item 2018-002 to be a material weakness.

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. We consider deficiency 2018-001 described in the accompanying summary schedule of current and prior year audit findings and corrective action plan to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Evangeline Parish Communications District's financial statements are free from 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*.

Evangeline Parish Communications District's Response to Findings

Evangeline Parish Communications District's response to the findings identified in our audit is described in the accompanying summary schedule of current and prior year audit findings and corrective action plan. The Communications District'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. Accordingly, this communication 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.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Ville Platte, Louisiana
April 30, 2019

Evangeline Parish Communications District
Ville Platte, Louisiana

Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan
For the Year Ended December 31, 2018

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Completion Date
<u>CURRENT YEAR (12/31/2018) --</u>						
<u>Internal Control:</u>						
2018-001	1995	Due to the small number of employees, the Communications District did not have adequate segregation of functions within the accounting system.	No	Based upon the size of the operation and the cost benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.	Pat Derouselle, Chairman	N/A
2018-002	2007	The Communications District does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including related notes.	No	The Communications District has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the government to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	Pat Derouselle, Chairman	N/A
<u>Compliance:</u> There were no compliance findings noted.						
<u>PRIOR YEAR (12/31/2017) --</u>						
<u>Internal Control:</u>						
2017-001	1995	Due to the small number of employees, the Communications District did not have adequate segregation of functions within the accounting system.	No	Based upon the size of the operation and the cost benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.	Pat Derouselle, Chairman	N/A
2017-002	2007	The Communications District does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including related notes.	No	The Communications District has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the government to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	Pat Derouselle, Chairman	N/A
<u>Compliance:</u> There were no compliance findings noted.						

**Evangeline Parish Communications District
Ville Platte, Louisiana**

**Statewide Agreed-Upon Procedures Report
Year Ended December 31, 2018**

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Victor R. Slaven, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Brad E. Kolder, CPA, JD*
Stephen J. Anderson, CPA*
Christine C. Doucet, CPA
Wanda F. Arcement, CPA, CVA
Bryan K. Joubert, CPA
Matthew E. Margaglio, CPA
Casey L. Ardoin, CPA, CFE

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

11929 Bricksome Ave.
Baton Rouge, LA 70816
Phone (225) 293-8300

1428 Metro Dr.
Alexandria, LA 71301
Phone (318) 442-4421

450 E. Main St.
New Iberia, LA 70560
Phone (337) 367-9204

200 S. Main St.
Abbeville, LA 70510
Phone (337) 893-7944

1234 David Dr. Ste. 203
Morgan City, LA 70380
Phone (985) 384-2020

434 E. Main St.
Ville Platte, LA 70586
Phone (337) 363-2792

332 W. Sixth Ave.
Oberlin, LA 70655
Phone (337) 639-4737

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

* A Professional Accounting Corporation

WWW.KCSRPCAS.COM

To the Management of the Evangeline Parish Communications District

We have performed the procedures enumerated below, which were agreed to by Evangeline Parish Communications District 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 January 1, 2018 through December 31, 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*. 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:

Written Policies and Procedures

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.

No exceptions noted.

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.

The written policies and procedures were not adequate for the functions noted above.

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

No exceptions noted.

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).

The written policies and procedures were not adequate for the functions noted above.

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

The written policies and procedures were not adequate for the functions noted above.

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

No exceptions noted.

- 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).

No credit card policy was noted.

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

No exceptions noted.

- 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.

The written policies and procedures were not adequate for the functions noted above.

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

No debt service policy was noted.

Board or Finance Committee

- 1. 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.

No exceptions noted.

- 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.

One meeting did not reference or include monthly budget-to-actual comparison on the general fund.

- 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.

No negative unrestricted fund balance was noted in prior year audit report.

Bank Reconciliations

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

No exceptions noted in 3a-c.

Collections

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).
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.
 - 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.

In reference 5a-d, any cash collected by the District is extremely minimal. Majority of revenue is by direct deposit. Any checks received by mail are recorded on the check log, deposited in bank, and recorded in general ledger. All these functions are performed by different employees.

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

No exceptions noted.

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.
- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- c) Trace the deposit slip total to the actual deposit per the bank statement.
- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
- e) Trace the actual deposit per the bank statement to the general ledger.

No exceptions noted in #7 other than one deposit was made two business days after receipt at collection location.

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

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

No exceptions noted.

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

No exceptions noted.

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

Exception 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.

No exceptions noted.

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.

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.

Two exceptions were noted.

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

11. 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:

- 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).

Reimbursement rates exceeded GSA rates.

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

None reimbursed using actual costs.

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

No exceptions noted.

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

No exceptions noted.

Management's Response

Management of the Evangeline Parish Communications District concurs with the exceptions and are working to address the deficiencies identified.

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 LLA as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Ville Platte, Louisiana
April 30, 2019