

**FIRE PROTECTION DISTRICT NO. 7**

**OF THE PARISH OF ST. MARY  
STATE OF LOUISIANA**

**Annual Component Unit Financial Statements with  
Independent Auditors' Report**

**and**

**Report on Internal Control Over Financial Reporting and  
Compliance and Other Matters**

**For the Year Ended September 30, 2024**

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## FINANCIAL INFORMATION SECTION



## INDEPENDENT AUDITORS' REPORT

The Board of Commissioners  
Fire Protection District No. 7 of the Parish  
of St. Mary, State of Louisiana  
Bayou Vista, Louisiana

### Opinion

We have audited the accompanying financial statements of the governmental activities and each major fund and the respective budgetary comparison for the General Fund of Fire Protection District No. 7 (District) of the Parish of St. Mary, a component unit of the St. Mary Parish Council, as of and for the year ended September 30, 2024, and the related notes to the financial statements which collectively comprise the Fire Protection District No. 7 of the Parish of St. Mary's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position and changes in financial position of the District, as of September 30, 2024, in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

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

### Responsibility of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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 Requirements by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated May 30, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 District's internal control over financial reporting or on compliance. That report is an integral part of our audit performed in accordance with Government Auditing Standards in considering District's internal control over financial reporting and compliance.

A handwritten signature in blue ink, appearing to read "P. He & Matte".

CERTIFIED PUBLIC ACCOUNTANTS

May 30, 2025  
Morgan City, Louisiana

**FIRE PROTECTION DISTRICT NO. 7 OF THE PARISH OF ST. MARY  
STATE OF LOUISIANA**

**Statement of Net Position  
September 30, 2024**

|                                                         | Governmental<br>Activities |
|---------------------------------------------------------|----------------------------|
| <b>ASSETS</b>                                           |                            |
| Current assets                                          |                            |
| Cash and cash equivalents                               | \$ 264,776                 |
| Prepaid insurance                                       | 6,056                      |
| Other                                                   | <u>320</u>                 |
| Total current assets                                    | 271,152                    |
| Noncurrent assets                                       |                            |
| Restricted cash                                         | <u>278,313</u>             |
| Capital Assets                                          |                            |
| Property and equipment, net of accumulated depreciation | <u>1,011,853</u>           |
| Total Assets                                            | <u>\$ 1,561,318</u>        |
| <b>LIABILITIES AND NET POSITION</b>                     |                            |
| LIABILITIES                                             |                            |
| Current liabilities                                     |                            |
| Accounts payable and accrued expenses                   | \$ 1,096                   |
| Current portion of long-term debt                       | <u>67,000</u>              |
| Total current liabilities                               | <u>68,096</u>              |
| Noncurrent liabilities                                  |                            |
| Noncurrent portion of long-term debt                    | <u>529,000</u>             |
| Total noncurrent liabilities                            | <u>529,000</u>             |
| Total liabilities                                       | <u>597,096</u>             |
| NET POSITION                                            |                            |
| Net Investment in capital assets                        | 415,853                    |
| Restricted for:                                         |                            |
| Debt service                                            | 278,313                    |
| Unrestricted                                            | <u>270,056</u>             |
| Total net position                                      | <u>964,222</u>             |
| Total liabilities and net position                      | <u>\$ 1,561,318</u>        |

The accompanying notes are an integral part of these financial statements.

**FIRE PROTECTION DISTRICT NO. 7 OF THE PARISH OF ST. MARY  
STATE OF LOUISIANA**

**Statement of Activities  
For the Year Ended September 30, 2024**

|                                         | <u>Total</u>       |
|-----------------------------------------|--------------------|
| <u>Expenses</u>                         |                    |
| Advertising                             | \$ 311             |
| Auto and truck                          | 9,069              |
| Insurance                               | 51,381             |
| Professional services                   | 17,811             |
| Office                                  | 1,644              |
| Repair and maintenance                  | 57,521             |
| Salaries and payroll tax                | 15,012             |
| Supplies                                | 1,917              |
| Utilities and telephone                 | 22,463             |
| Per diem                                | 1,560              |
| Depreciation                            | 151,954            |
| Interest                                | 19,798             |
| Pension - ad valorem taxes              | 17,236             |
| Total program expenses                  | <u>367,677</u>     |
| <br><u>General revenues</u>             |                    |
| Ad valorem taxes                        | 530,603            |
| Miscellaneous revenue                   | 12,124             |
| Total general revenues                  | <u>542,727</u>     |
| <br>Increase (decrease) in net position | <br><u>175,050</u> |
| Net position - beginning of year        | <u>789,172</u>     |
| Net position - end of year              | <u>\$ 964,222</u>  |

The accompanying notes are an integral part of these financial statements.

**FIRE PROTECTION DISTRICT NO. 7 OF THE PARISH OF ST. MARY  
STATE OF LOUISIANA**

**Balance Sheet  
Governmental Funds  
September 30, 2024**

|                                       | <u>General<br/>Fund</u> | <u>Debt<br/>Service<br/>Fund</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|---------------------------------------|-------------------------|----------------------------------|-----------------------------------------|
| <b>ASSETS</b>                         |                         |                                  |                                         |
| Cash and cash equivalents             | \$ 264,776              | \$ 278,313                       | \$ 543,089                              |
| Prepaid expenses                      | 6,056                   | -                                | 6,056                                   |
| Other                                 | 320                     | -                                | 320                                     |
|                                       | <hr/>                   | <hr/>                            | <hr/>                                   |
| Total assets                          | \$ 271,152              | \$ 278,313                       | \$ 549,465                              |
|                                       | <hr/>                   | <hr/>                            | <hr/>                                   |
| <b>LIABILITIES AND FUND BALANCES</b>  |                         |                                  |                                         |
| Liabilities:                          |                         |                                  |                                         |
| Accounts payable and accrued expenses | \$ 1,096                | \$ -                             | \$ 1,096                                |
|                                       | <hr/>                   | <hr/>                            | <hr/>                                   |
| Total liabilities                     | 1,096                   | -                                | 1,096                                   |
|                                       | <hr/>                   | <hr/>                            | <hr/>                                   |
| Fund balances:                        |                         |                                  |                                         |
| Nonspendable                          | 6,056                   | -                                | 6,056                                   |
| Restricted                            | -                       | 278,313                          | 278,313                                 |
| Unassigned                            | 264,000                 | -                                | 264,000                                 |
|                                       | <hr/>                   | <hr/>                            | <hr/>                                   |
| Total fund balances                   | 270,056                 | 278,313                          | 548,369                                 |
|                                       | <hr/>                   | <hr/>                            | <hr/>                                   |
| Total liabilities and fund balances   | \$ 271,152              | \$ 278,313                       | \$ 549,465                              |
|                                       | <hr/>                   | <hr/>                            | <hr/>                                   |

Reconciliation of the total fund balance -- total governmental funds  
to the net position of governmental activities:

|                                                                                                                                                                    |                |    |                  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----|------------------|
| Total fund balance - Governmental Funds                                                                                                                            |                | \$ | 548,369          |
| Amounts reported for governmental activities in the Statement of Net Position<br>are different because:                                                            |                |    |                  |
| Capital assets used in governmental activities are not current financial<br>resources and, therefore, are not reported in the governmental<br>funds balance sheet. |                |    | 1,011,853        |
| Noncurrent liabilities are not due and payable in the current period and,<br>therefore, they are not reported in the governmental funds balance sheet              |                |    |                  |
| Current portion of long-term debt                                                                                                                                  | 67,000         |    |                  |
| Noncurrent portion of long-term debt                                                                                                                               | <u>529,000</u> |    | <u>(596,000)</u> |
| Net position of governmental activities                                                                                                                            |                | \$ | <u>964,222</u>   |

The accompanying notes are an integral part of these financial statements.

**FIRE PROTECTION DISTRICT NO. 7 OF THE PARISH OF ST. MARY  
STATE OF LOUISIANA**

**Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended September 30, 2024**

|                                      | General<br>Fund   | Debt Service<br>Fund | Total<br>Governmental<br>Funds |
|--------------------------------------|-------------------|----------------------|--------------------------------|
| <u>Revenues</u>                      |                   |                      |                                |
| Ad valorem taxes                     | \$ 378,163        | \$ 152,440           | \$ 530,603                     |
| Intergovernmental revenue            | 1,250             | -                    | 1,250                          |
| Miscellaneous income                 | 6,721             | 4,153                | 10,874                         |
| Total revenues                       | <u>386,134</u>    | <u>156,593</u>       | <u>542,727</u>                 |
| <u>Expenditures</u>                  |                   |                      |                                |
| Current:                             |                   |                      |                                |
| Advertising                          | 311               | -                    | 311                            |
| Auto and truck                       | 9,069             | -                    | 9,069                          |
| Insurance                            | 51,381            | -                    | 51,381                         |
| Professional services                | 17,811            | -                    | 17,811                         |
| Supplies                             | 1,917             | -                    | 1,917                          |
| Office                               | 1,644             | -                    | 1,644                          |
| Repair and maintenance               | 57,521            | -                    | 57,521                         |
| Salaries and payroll taxes           | 15,012            | -                    | 15,012                         |
| Utilities and telephone              | 22,463            | -                    | 22,463                         |
| Per diem                             | 1,560             | -                    | 1,560                          |
| Pension - ad valorem                 | 12,238            | 4,998                | 17,236                         |
| Debt service:                        |                   |                      |                                |
| Principal                            | -                 | 64,000               | 64,000                         |
| Interest and fiscal charges          | -                 | 19,798               | 19,798                         |
| Capital outlay                       | <u>34,988</u>     | <u>-</u>             | <u>34,988</u>                  |
| Total expenditures                   | <u>225,915</u>    | <u>88,796</u>        | <u>314,711</u>                 |
| Excess of revenues over expenditures | 160,219           | 67,797               | 228,016                        |
| Fund balances, beginning of year     | <u>109,837</u>    | <u>210,516</u>       | <u>320,353</u>                 |
| Fund balances, end of year           | <u>\$ 270,056</u> | <u>\$ 278,313</u>    | <u>\$ 548,369</u>              |

Reconciliation of the changes in fund balances - total governmental funds to the change in net position of governmental activities:

Net change in fund balance - Governmental Funds \$ 228,016

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

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces noncurrent liabilities in the statement of net position. 64,000

Governmental funds report capital outlay expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays (\$34,988) meeting the District's Capitalization policy in the current period was exceeded by depreciation (\$151,954) in the current period. (116,966)

Change in net position of governmental activities \$ 175,050

The accompanying notes are an integral part of these financial statements.

**FIRE PROTECTION DISTRICT NO. 7 OF THE PARISH OF ST. MARY  
STATE OF LOUISIANA**

**Budgetary Comparison - General Fund  
For the Year Ended September 30, 2024**

|                                         | Original &<br>Final<br><u>Budget</u> | Actual<br><u>Amounts</u> | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|-----------------------------------------|--------------------------------------|--------------------------|---------------------------------------------------------|
| <u>Revenues</u>                         |                                      |                          |                                                         |
| Ad valorem taxes                        | \$ 242,500                           | \$ 378,163               | \$ 135,663                                              |
| Intergovernmental revenue               | -                                    | 1,250                    | 1,250                                                   |
| Miscellaneous income                    | -                                    | 6,721                    | 6,721                                                   |
|                                         | <u>242,500</u>                       | <u>386,134</u>           | <u>143,634</u>                                          |
| Total revenues                          |                                      |                          |                                                         |
| <u>Expenditures</u>                     |                                      |                          |                                                         |
| Current:                                |                                      |                          |                                                         |
| Advertising                             | 1,000                                | 311                      | 689                                                     |
| Auto and truck                          | 10,000                               | 9,069                    | 931                                                     |
| Insurance                               | 53,000                               | 51,381                   | 1,619                                                   |
| Professional services                   | 20,000                               | 17,811                   | 2,189                                                   |
| Office                                  | 3,000                                | 1,644                    | 1,356                                                   |
| Per diem                                | 2,000                                | 1,560                    | 440                                                     |
| Repair and maintenance                  | 63,000                               | 57,521                   | 5,479                                                   |
| Salaries and payroll taxes              | 22,000                               | 15,012                   | 6,988                                                   |
| Supplies                                | 1,000                                | 1,917                    | (917)                                                   |
| Utilities and telephone                 | 23,000                               | 22,463                   | 537                                                     |
| Training                                | 500                                  | -                        | 500                                                     |
| Uniforms                                | 500                                  | -                        | 500                                                     |
| Miscellaneous                           | 500                                  | -                        | 500                                                     |
| Taxes and license                       | 8,000                                | -                        | 8,000                                                   |
| Pension - ad valorem                    | -                                    | 12,238                   | (12,238)                                                |
| Capital outlay                          | <u>35,000</u>                        | <u>34,988</u>            | <u>12</u>                                               |
| Total expenditures                      | <u>242,500</u>                       | <u>225,915</u>           | <u>16,585</u>                                           |
| Excess of revenues<br>over expenditures | -                                    | 160,219                  | 160,219                                                 |
| Fund balance at beginning of year       | <u>163,333</u>                       | <u>109,837</u>           | <u>(113,985)</u>                                        |
| Fund balance at end of year             | <u>\$ 163,333</u>                    | <u>\$ 270,056</u>        | <u>\$ 46,234</u>                                        |

The accompanying notes are an integral part of these financial statements.

**FIRE PROTECTION DISTRICT NO. 7 OF THE PARISH OF  
ST. MARY, STATE OF LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS**

September 30, 2024

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Fire Protection District No. 7 (the District) of the Parish of St. Mary, State of Louisiana, was created by Ordinance No. 1008 of the St. Mary Parish Council on May 27, 1987. Active operations of the District began on October 24, 2007. The District encompasses the area of the Parish known as Bayou Vista. The purpose of the District is to provide fire prevention, fire protection, medical assistance, and extrication rescue. The District's firefighters are volunteers of the Bayou Vista Volunteer Fire Department.

The financial statements of Fire Protection District No. 7 have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

**A. Reporting Entity**

In evaluating how to define the governmental unit, for financial reporting purposes, consideration has been given to the following criteria as set forth in GAAP:

- a. Financial benefit or burden
- b. Appointment of a voting majority
- c. Imposition of will
- d. Fiscally dependent

Based upon the above criteria, the District is a component unit and integral part of the St. Mary Parish Council (the primary government).

These financial statements include only the operations of the District.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### B. Basic Financial Statements - Government-wide Financial Statements

The government-wide financial statements include the Statement of Net Position and the Statement of Activities which report all activities of the District as a whole. The government-wide presentation focuses primarily on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange revenues.

### C. Basic Financial Statements - Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types." The following is a description of the funds utilized by the District.

#### Governmental Funds

The District considers both of its governmental funds to be major funds.

##### General Fund

The General Fund is the general operating fund of the District. It is used to account for all financial resources, except those required to be accounted for in other funds.

##### Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

### D. 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.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### Government-wide Statements

The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets, all deferred outflows of resources, all liabilities, all deferred inflows of resources (whether current or noncurrent) are included on the statement of net position and the statement of activities presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

### Fund Financial Statements

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

Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount can be determined. Available means collectible within the current period or soon enough thereafter to pay current liabilities (the District uses a thirty day period after year end).

### E. Revenues

The following is a summary of the District's recognition policies for its major revenue sources:

Ad valorem taxes (which are based on population and homesteads in the District) are recorded in the year taxes are assessed and collected.

Interest earnings are generally recorded when earned.

Substantially all other revenues are recorded when received.

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

### F. Expenses/Expenditures

The government-wide financial statements recognize expenses under the accrual basis of accounting and records the related liability at the time the expense is incurred.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

In the fund financial statements, expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except principal and interest on long-term debt which is not recognized until due.

### G. Budgets

Annual appropriated budgets are adopted for the General Fund. The District is not required and does not adopt budgets for its Debt Service Fund. For these reasons, the financial statements do not contain a budget to actual comparisons for this fund. Budgets are adopted on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at fiscal year end. Budgets are amended when necessary with Board approval. In the financial statement comparison of the budget to actual amounts, both the original and final amended budget amounts are shown. The budget comparison is presented as a basic financial statement.

### H. Cash and Cash Equivalents

#### Cash and Cash Equivalents

For financial statement purposes, cash and cash equivalents include bank deposits and/or certificates of deposit with original maturities of less than three months.

### I. Fixed Assets

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

#### Government-wide Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. All purchased fixed assets are valued at historical cost. Costs include all auxiliary costs to place the assets in service including delivery fees, freight and ancillary costs. Donated fixed assets are valued at their estimated fair market value on the date received. Fixed assets are reported at their historical cost or estimated fair market value less their accumulated depreciation. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Depreciation is computed using the straight-line method based on the estimated useful life of the various assets. The following is a summary of estimated useful lives by classification of the fixed assets:

| <u>Category</u> | <u>Years</u> |
|-----------------|--------------|
| Building        | 40           |
| Equipment       | 3-10         |
| Vehicles        | 5-15         |

### Fund Financial Statements

In the fund financial statements, fixed assets used in governmental fund operation are accounted for as capital outlay expenditures of the governmental fund when payment is made.

### J. Long-term Debt

#### Government-wide Financial Statements

In the government-wide financial statements, all long-term debt is reported as a liability. The long-term debt of the District consists of bonds payable.

### Fund Financial Statements

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

### K. Equity Classifications

#### Government-wide Statements

Equity is classified as net position and displayed in the three components:

- a) Net investment in capital assets - Consists of capital assets and deposits set aside to purchase capital assets net of accumulated depreciation and reduced by the outstanding balances of bonds that are attributable to the acquisition, construction, or improvement of those assets.
- b) Restricted net position - Consists of net position with constraints placed on its use either by (1) external groups such as creditors, grantors, contributions, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c) Unrestricted net position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets".

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### Fund Financial Statements

Governmental fund equity may be classified by five categories: nonspendable, restricted, committed, assigned, and unassigned. At present, the District only requires reporting of restricted and unassigned. Restricted represents those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Unassigned represents those portions of fund equity that has not been assigned to other funds and that has not been restricted, committed, or assigned to a specific purpose within the general fund.

## NOTE 2 - CASH AND CASH EQUIVALENTS

The District does not have a formal investment policy related to interest rate risk (the risk of an investment decreasing in value due to increasing interest rates).

In addition the District does not have a formal investment policy related to credit risk (including concentrations of credit). However the District does follow state law as to limitations on types of deposits and investments as described below.

The District does not invest in any investments subject to foreign currency risk.

Under state law the District may deposit its funds with certain state and federally chartered financial institutions. These deposits are required to be insured or collateralized by the financial institutions.

At year end, the carrying amount of the District's cash was \$543,089 and the bank balance was \$545,230 (\$500,000 of which was covered by federal depository insurance), the remaining \$45,230 was collateralized by securities held by a third party in the District's name.

## NOTE 3 - TAXES

The District's property tax is levied in October of each year on the assessed value of property within the District's taxing area. Taxes are due and payable by December 31 and taxes are considered delinquent January 1. Notices regarding seizures are sent out in April with the seizure date being May 1. The taxes are collected on behalf of the District by the Sheriff and then remitted to the District. The District actually receives most of the taxes in January.

The District receives 6.96 mils of property tax, 4.96 mils is distributed to the General Fund and dedicated to operations and maintenance and 2.0 mils is distributed to the Debt Services Fund and dedicated to debt retirement.

Based upon the taxable assessed value of the property within the District each mil of assessment generated approximately \$73,700 of tax revenue in 2024.

For the upcoming year the District maintained the property tax at 6.96 mils (4.96 mils for operations and maintenance and 2.0 mils for debt retirement).

## NOTE 4 - FIXED ASSETS

Capital assets activity for the year ended September 30, 2024 is as follows:

|                                               | Balance<br>September 30,<br><u>2023</u> | <u>Additions</u>    | Balance<br>September 30,<br><u>2024</u> |
|-----------------------------------------------|-----------------------------------------|---------------------|-----------------------------------------|
| Capital assets not being depreciated          |                                         |                     |                                         |
| Land                                          | \$ 7,000                                | \$ -                | \$ 7,000                                |
| Total capital assets not being depreciated    | <u>7,000</u>                            | <u>-</u>            | <u>7,000</u>                            |
| Capital assets                                |                                         |                     |                                         |
| Building and improvements                     | \$ 561,176                              | \$ -                | \$ 561,176                              |
| Equipment                                     | 1,104,644                               | 34,988              | 1,139,632                               |
| Vehicles                                      | <u>1,484,197</u>                        | <u>-</u>            | <u>1,484,197</u>                        |
| Total other capital assets at historical cost | <u>3,150,017</u>                        | <u>34,988</u>       | <u>3,185,005</u>                        |
| Total capital assets                          | <u>3,157,017</u>                        | <u>34,988</u>       | <u>3,192,005</u>                        |
| Less accumulated depreciation for:            |                                         |                     |                                         |
| Building and improvements                     | (153,103)                               | (16,515)            | (169,618)                               |
| Equipment                                     | (585,884)                               | (73,799)            | (659,683)                               |
| Vehicles                                      | <u>(1,289,211)</u>                      | <u>(61,640)</u>     | <u>(1,350,851)</u>                      |
| Total accumulated depreciation                | <u>(2,028,198)</u>                      | <u>(151,954)</u>    | <u>(2,180,152)</u>                      |
| Other capital assets, net                     | <u>1,121,819</u>                        | <u>(116,966)</u>    | <u>1,004,853</u>                        |
| Total capital assets, net                     | <u>\$ 1,128,819</u>                     | <u>\$ (116,966)</u> | <u>\$ 1,011,853</u>                     |

Depreciation expense for the year is approximately \$151,000.

## NOTE 5 - LONG-TERM DEBT

The following is a summary of changes in long-term debt for the period ended September 30, 2024:

|                               |                   |
|-------------------------------|-------------------|
| Balance at September 30, 2023 | \$ 660,000        |
| Reductions-regular payments   | ( 64,000)         |
| Balance at September 30, 2024 | <u>\$ 596,000</u> |

Obligations payable at September 30, 2024, are as follows:

### General Obligation Bonds

\$1,250,000 of General Obligation Bonds were issued on August 30, 2012, for the purpose of acquiring, constructing, and improving fire protection facilities, machinery, and equipment. The bonds bear interest at a rate of 3.15 percent and are payable through the year 2032. The bonds are to be retired with ad valorem taxes by the Debt Service Fund.

\$596,000  
\$596,000

The following is an approximation of future debt requirements at September 30, 2024:

| <u>Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u>     |
|-------------|------------------|-----------------|------------------|
| 2025        | \$ 67,000        | \$ 17,719       | \$ 84,719        |
| 2026        | 69,000           | 15,577          | 84,577           |
| 2027        | 71,000           | 13,372          | 84,372           |
| 2028        | 73,000           | 11,104          | 84,104           |
| 2029        | 75,000           | 8,773           | 83,773           |
| 2030-2032   | <u>241,000</u>   | <u>11,545</u>   | <u>252,545</u>   |
|             | <u>\$596,000</u> | <u>\$78,090</u> | <u>\$674,090</u> |

#### NOTE 5 - LONG-TERM DEBT (continued)

The District is subject to certain affirmative and negative covenants pursuant to its bond and debt agreements. The covenants include but are not limited to:

1. Establishment and funding of a debt service fund.
2. Restriction as to additional debt issuance.

#### NOTE 6 - RELATED PARTIES

The District and the Bayou Vista Volunteer Fire Department jointly provide fire protection for the area. The Bayou Vista Volunteer Fire Department provides the use of the fire station, fire trucks, certain fire equipment, and services of volunteer firefighters. No amounts are reported for these items or services in these financial statements.

#### NOTE 7 - COMPENSATION OF BOARD MEMBERS AND CHIEF EXECUTIVE OFFICER

The Chairman (the Chief Executive Officer did not receive any additional reimbursement of expenses, benefits, or compensation other than regular per diem) and the other board members received the following per diems for the year ended September 30, 2024.

|                                                                            |                |
|----------------------------------------------------------------------------|----------------|
| Myron Bourque (Chairman & Chief Executive Officer through August 2024)     | \$ 270         |
| Andros Williams (Chairman & Chief Executive Officer beginning August 2024) | 210            |
| Joseph Adyden                                                              | 90             |
| Martin DeHart                                                              | 90             |
| Jason Hunt                                                                 | 30             |
| Lana Luke                                                                  | 240            |
| Alvin Metrejean                                                            | 90             |
| David Picou                                                                | 180            |
| Jeremy Price                                                               | 90             |
| Bryan Roy                                                                  | 270            |
|                                                                            | <u>\$1,560</u> |

#### NOTE 8 - CONCENTRATIONS

Ad valorem taxes accounted for approximately 99% of the District's revenues.

#### NOTE 9 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is named insured on commercial insurance policies, which covers its exposure to loss. The District is insured up to policy limits for each of the above risks. There were no significant changes in coverage, retentions, or limits during the year ended September 30, 2024. Settlements in the prior three years have not exceeded insurance coverages.

INTERNAL CONTROL OVER FINANCIAL REPORTING AND COMPLIANCE  
AND OTHER MATTERS SECTION



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

Board of Commissions  
Fire Protection District No. 7, of the Parish  
of St. Mary, State of Louisiana  
Bayou Vista, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the budgetary comparisons for the General Fund of Fire Protection District No. 7 of the St. Mary Parish (District) as of the year ended September 30, 2024, and the related notes to the financial statements which collectively comprise the District's basic financial statements, and have issued our report thereon dated May 30, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or 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 the audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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 two instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which is detailed in the accompanying schedule of findings as 2024-001 and 2024-002.

#### The District's Response to Finding

The District's response to the finding identified in our audit is described in the accompanying schedule of findings. The 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 organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is considered a public record and may be distributed by the Legislative Auditor.



CERTIFIED PUBLIC ACCOUNTANTS

May 30, 2025  
Morgan City, Louisiana

**FIRE PROTECTION DISTRICT NO. 7**  
Of the Parish of St. Mary, State of Louisiana

Schedule of Findings  
For the Year Ended September 30, 2024

**A. SUMMARY OF AUDIT RESULTS**

1. The auditors' report expresses an unmodified opinion on the financial statements of the Fire Protection District No. 7 of the Parish of St. Mary.

2. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

No findings are required to be reported for the year ended September 30, 2024.

Compliance and Other Matters

There were two material instances of noncompliance or other matters required to be reported for the year ended September 30, 2024.

3. Federal Awards

This section is not applicable for the year ended September 30, 2024.

4. Management Letter

No letter was issued.

B. FINDINGS – FINANCIAL STATEMENT AUDIT

INTERNAL CONTROL

NO MATTERS TO BE REPORTED

COMPLIANCE AND OTHER MATTERS

ITEM NO. 2024-001 FAILURE TO PUBLISH MINUTES

Auditor's Comments

Condition: The District did not keep or publish written minutes for 4 out of 12 of its public meetings as required by State Statutes.

Criteria: State Statutes requires the District to keep written records of all open meetings. It further states that the minutes shall be public records and shall be available within a reasonable period of time after the meeting and published in the public body's official journal.

Effect: Failure to keep and publish minutes violates State Statutes.

Cause: The District failed to keep and publish written minutes as required by State Statutes.

Recommendations: The District should follow State Statutes.

Management's Response: We will comply with State Statutes.

ITEM NO. 2024-002 FAILURE TO FILE AUDIT REPORT ON TIME

Auditor's Comments

Condition: The District's audit was completed and furnished to the Louisiana Legislative Auditor (LLA) within the required time frame of the approved LLA extension request. However, because the extension is a nonemergency extension a late finding is required to be reported.

Criteria: Audit reports should be filed with the Office of the Legislative Auditor no later than six months after the entity's fiscal year end.

Effect: Failure to complete and furnish the audit on time violated state statutes. In addition, management should be presented with timely audited financial information so that they can better manage the District's operation.

Cause: Submission of the report beyond the due date, although extended on a non-emergency basis, requires a finding.

Recommendations: The District should submit all requested information to their auditor to avoid the late submission of the audit report in the future.

Management's Response: We will furnish our auditor with the information needed to submit the audit report on time.

C. FINDINGS AND QUESTIONED COSTS – FEDERAL AWARDS PROGRAMS

This section is not applicable for the year ended September 30, 2024.

SUMMARY OF PRIOR YEAR FINDINGS AND RELATED CORRECTIVE ACTION  
PREPARED BY FIRE PROTECTION DISTRICT NO. 7  
OF ST. MARY PARISH, STATE OF LOUISIANA

COMPLIANCE AND OTHER MATTERS

Item No. 2023-001 Noncompliance with Budget Monitoring

Condition: During the course of the audit for the year ended September 30, 2023, it was noted that the District's operating budget needed amendments which were not made.

Corrective Action: This has been corrected.



**Andros A. Williams (President)**  
**Fire Protection District No. 7**  
**1519 HWY. 182 EAST**  
**BAYOU VISTA, LA 70380**  
**Phone 985-395-6250**  
**Cellphone 985-519-4680**

May 30, 2025

Mr. Michael J "Mike" Waguespack, CPA  
Legislative Auditor, State of Louisiana  
P.O. Box 94397  
Baton Rouge, La. 70804-9397

Dear Mr. Waguespack,

Fire Protection District No. 7 of the Parish of St. Mary, State of Louisiana respectfully submits the following corrective action plan for our year ended September 30, 2024.

**CORRECTION ACTION:**

Person Responsible: Andros Williams

Fire Protection District No. 7 of the Parish of St. Mary  
P.O. Box 143  
Berwick, LA 70342

Noncompliance RE: Item No, 2024-001

Failure to Publish Minutes. Our auditors notified us that we did not publish minutes for all of our meetings as required by State Statute.

Corrective Action: We will publish our minutes as specified in the state statute.

Noncompliance RE: Item No. 2024-002

Failure to File Audit Report on Timex Our auditors notified us that we did not furnish the information needed to submit the audit report on time.

Corrective Action: We will submit all requested information to our auditor to avoid a late submission of the audit report in the future.

This plan of action being submitted in accordance with Legislative requirements. If you have any questions concerning this action, contact the undersigned.

Fire Protection District No. 7 of the Parish of St. Mary, State of Louisiana

Andros Williams  
Chairman

*Andros A. Williams*  
Chairman

**FIRE PROTECTION DISTRICT NO. 7**  
**OF THE PARISH OF ST. MARY**  
**STATE OF LOUISIANA**

**SCHEDULE OF PROCEDURES PERFORMED AND  
ASSOCIATED FINDINGS BASED UPON THE  
STATEWIDE AGREED-UPON PROCEDURES**

**FOR THE YEAR ENDED**  
**September 30, 2024**  
**WITH**  
**AGREED UPON PROCEDURES REPORT**  
**BY**  
**INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

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INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS' REPORT  
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners  
Fire Protection District No.7 of the  
Parish of St. Mary  
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated in the attached Schedule of Procedures Performed and Associated Findings Based Upon the Statewide Agreed-Upon Procedures (Schedule), on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor (LLA)'s Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period October 1, 2023 through September 30, 2024. Fire Protection District No. 7 of the Parish of St. Mary (District) management is responsible for those C/C areas identified in the SAUPs presented in the attached Schedule.

The District 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 October 1, 2023 through September 30, 2024. 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 included in the attached Schedule.

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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 may be distributed by the LLA as a public document.

P. Hs & Matthews

CERTIFIED PUBLIC ACCOUNTANTS

Morgan City, Louisiana  
June 25, 2025

**FIRE PROTECTION DISTRICT NO. 7 OF THE PARISH OF ST. MARY**  
**STATE OF LOUISIANA**  
**Schedule of Procedures Performed and Associated Findings Based upon the**  
**Statewide Agreed-Upon Procedures**  
**For the Year Ended September 30, 2024**

Guide to Presentation Format

This report contains these items presented in this order:

Statewide Agreed-Upon Procedures (SAUPs) prescribed by the Louisiana Legislative Auditor (LLA),  
Procedures performed by the Independent Certified Public Accountant,  
Findings based upon the procedures performed, and  
Management's Comments relative to the findings, if applicable.

In order to facilitate understanding this report - the procedures and findings are presented in the following format:

| <u>Order of Presentation</u>                                                               | <u>Presentation Format</u>                                                                                 |
|--------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|
| Area or function                                                                           | Centered all CAPITALS IN BOLD TYPE                                                                         |
| Statewide Agreed-Upon Procedures Prescribed (SAUPs) by Louisiana Legislative Auditor (LLA) | Regular type highlighted with numbers or letters (if there are multiple parts)                             |
| Actual procedures performed by Independent Certified Public Accountant                     | Denoted as <b>Procedure Performed:</b> (in bold type) followed by procedure in regular type                |
| Finding based upon procedure performed                                                     | Denoted as <b>Findings:</b> (in bold type) followed by findings in regular type                            |
| Management's response to findings                                                          | Denoted as <b>Management's Response:</b> (in bold type) followed by <i>managements response in italics</i> |

## WRITTEN POLICIES AND PROCEDURES

---

### 1) Written Policies and Procedures

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

#### Budgeting

- i. Budgeting, including preparing, adopting, monitoring, and amending the budget.

**Procedure Performed:** Obtained from management and inspected the District's "Personnel Policy and Procedure Manual" and read the written policies and procedures for budgeting.

**Findings:** Found the District has written policies and procedures that include the specified functions listed above.

#### Purchasing

- ii. 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.

**Procedure Performed:** Obtained from management and inspected the District's "Personnel Policy and Procedure Manual" and read the written policies and procedures for purchasing.

**Findings:** Found the District has written policies and procedures that include the specified functions listed above.

#### Disbursements

- iii. Disbursements, including processing, reviewing, and approving.

**Procedure Performed:** Obtained from management and inspected the District's "Personnel Policy and Procedure Manual" and read the written policies and procedures for disbursements.

**Findings:** Found the District has written policies and procedures that include the specified functions listed above.

#### Receipts/Collections

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

## WRITTEN POLICIES AND PROCEDURES (CONTINUED)

---

**Procedure Performed:** Obtained from management and inspected the District's "Personnel Policy and Procedure Manual" and read the written policies and procedures for receipts and collections.

**Findings:** Found the District has written policies and procedures that include the specified functions listed above with the exception of management's actions to determine the completeness of collections.

### Payroll/Personnel

- v. 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 rates of pay or approval and maintenance of pay rate schedules.

**Procedure Performed:** Obtained from management and inspected the District's "Personnel Policy and Procedure Manual" and read the written policies and procedures for payroll and personnel.

**Findings:** Found the District has written policies and procedures that include the specified functions listed above with the exception of the approval process for employee rates of pay or approval and maintenance of pay rate schedules.

### Contracting

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

**Procedure Performed:** Obtained from management and inspected the District's "Personnel Policy and Procedure Manual" and read the written policies and procedures for contracts.

**Findings:** Found the District has written policies and procedures that include the specified functions listed above with the exception of legal review and monitoring process.

### Travel and Expense Reimbursement

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

**Procedure Performed:** Obtained from management and inspected the District's "Personnel Policy and Procedure Manual" and read the written policies and procedures for travel and expense reimbursement.

**Findings:** Found the District has written policies and procedures that includes the specified functions listed above with the exception of allowable expenses, dollar thresholds by category of expense, and documentation requirements.

## WRITTEN POLICIES AND PROCEDURES (CONTINUED)

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### Credit Cards

- viii. 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).

**Procedure Performed:** Obtained from management and inspected the District's "Personnel Policy and Procedure Manual" and read the written policies and procedures for credit cards.

**Findings:** Found the District has written policies and procedures that include the specified functions listed above.

### Ethics

- ix. Ethics, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 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.

**Procedure Performed** Obtained from management and inspected the District's "Personnel Policy and Procedure Manual" and read the written policies and procedures for ethics.

**Findings:** Found the District has written policies and procedures that include the specified functions listed above with the exception of a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

### Debt Service

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

**Procedure Performed:** Obtained from management and inspected the District's "Personnel Policy and Procedure Manual" and read the written policies and procedures for debt service.

**Findings:** Found the District has written policies and procedures that include the specified functions listed above with the exception of continuing disclosure/EMMA reporting requirements and debt reserve requirements.

## WRITTEN POLICIES AND PROCEDURES (CONTINUED)

---

### Information Technology Disaster Recovery/Business Continuity

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

**Procedure Performed:** We performed the procedures.

**Findings:** Discussed the findings with management.

### Prevention of Sexual Harassment

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

**Procedure Performed:** Inquired of management and obtained management's representation that the District does not have written policies and procedures for prevention of sexual harassment.

**Findings:** Found the District does not have written policies and procedures for prevention of sexual harassment.

### **Management's response:**

*We do not have policies and procedures for Prevention of Sexual Harassment.*

*Policies and procedures are in place for all others areas with the exception of the following:*

***Receipts/Collections**, as it relates to management's actions to determine the completeness of all collections for each type of revenue or agency fund additions;*

***Payroll/Personnel**, as it relates to the approval process for employee rates of pay or approval and maintenance of pay rate schedules;*

***Contracting**, as it relates to legal review and monitoring process;*

***Travel and Expense Reimbursement**, as it relates to allowable expenses, dollar thresholds by category of expense, and documentation requirements.*

***Ethics**, as it relates to a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.*

***Debt Service**, as it relates to continuing disclosure/EMMA reporting requirements and debt reserve requirements.*

*We plan to put policies and procedures in all areas in writing.*

## BOARD OR FINANCE COMMITTEE

---

### 2) Board or Finance Committee

A. 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

- i. 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.

**Procedure Performed:** Obtained and read the District's board minutes for the fiscal period, as well as Louisiana State Law as it relates to Fire Districts and the Ordinance that created the District.

**Findings:** Found that the District met with a quorum for seven of the twelve monthly meetings.

- ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

**Procedure Performed:** Obtained and read the District's board minutes for the fiscal period.

**Findings:** Found that the minutes did not reference budget-to-actual comparisons on the general fund.

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

**Procedure Performed:** Obtained and read the District's prior year audit report and observed the unassigned fund balance in the general fund.

**Findings:** Found that general fund did not have a negative ending unassigned fund balance in the prior year audit report.

## BOARD OR FINANCE COMMITTEE (CONTINUED)

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

**Procedure Performed:** Obtained and read the District's meeting minutes for the fiscal period.

**Findings:** Found the minutes did not reference whether the board received written updates of the progress of resolving audit findings according to management's corrective action plan.

***Management's response:***

*In the future, we will meet with a quorum monthly and include budget-to-actual comparisons at each monthly meeting. We will also provide the board written updates of the progress of resolving audit findings according to our corrective action plan.*

## BANK RECONCILIATIONS

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### 3) Bank Reconciliations

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

- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
- ii. Bank reconciliations include evidence that a member of management or a 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
- iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

**Procedures Performed:** Obtained the listing of bank accounts from management, and received management's written representation that the list is complete. The listing contained 2 bank accounts including the District's main operating account. Selected both bank accounts and randomly selected one month. Obtained and inspected bank statements and bank reconciliations prepared for the month selected.

**Findings:**

Found there was no bank reconciliation for the debt service account for the month selected. For the District's main operating account, we

- i. Observed there is no evidence that the bank reconciliation was prepared within 2 months of the related statement closing date.
- ii. Observed there is no written evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed the bank reconciliation.
- iii. Observed there were no reconciling items that have been outstanding for more than 12 months from the statement closing date.

**Management's response:**

*In the future, we will reconcile all bank accounts within 2 months of the related statement closing date and we will include evidence that a member of management or board member who does not handle cash, post ledgers, or issue checks has reviewed each reconciliation.*

## COLLECTIONS (EXCLUDING ELECTRONIC FUNDS TRANSFERS)

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### 4) Collections (excluding electronic funds transfers)

- A. 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).

**Procedure Performed:** Obtained the listing of deposit sites where deposits for cash/check/money order (cash) are prepared and management's representation that the listing is complete.

**Findings:** The District has only one deposit site.

- B. 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 (e.g., 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

- i. Employees responsible for cash collections do not share cash drawers/registers;
- ii. 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;
- iii. 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; and
- iv. 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/official verifies the reconciliation.

**Procedure Performed:** Obtained the listing of cash/check/money order (cash) collections locations for the District's one deposit site and management's written representation that the listing is complete and inquired of employees about the employees' job duties.

**Findings:** The District has only one cash collection location.

- i. Only one employee is responsible for cash collections and does not share a cash drawer.
- ii. The employee responsible for collections is also responsible for preparing/making bank deposits. However, an outside accountant is responsible for reconciling collection documentation to the deposit.
- iii. The employee responsible for collections is not responsible for posting collection entries to the general ledger or subsidiary ledgers.

## COLLECTIONS (EXCLUDING ELECTRONIC FUNDS TRANSFERS) (CONTINUED)

- iv. The employee responsible for collections does not reconcile collections. The outside accountant is responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions.

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

**Procedure Performed:** Inquired of management and obtained management's written representation that employees who have access to cash are not covered by a bond or insurance policy for theft.

**Findings:** Found that the employees with access to cash are not covered by a bond or insurance policy for theft during the fiscal period.

D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (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

- i. Observe that receipts are sequentially pre-numbered.
- ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- iii. Trace the deposit slip total to the actual deposit per the bank statement.
- iv. Observe 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).
- v. Trace the actual deposit per the bank statement to the general ledger.

**Procedure Performed:** Randomly selected two deposit dates from the bank statements for each of the 2 bank accounts selected for procedure #3A (selected the next deposit date chronologically if no deposit was made on the date randomly selected). Obtained supporting documentation for the selected deposits.

**Findings:**

- i. Found that the District does not have sequentially prenumbered receipts.
- ii. This step could not be performed because the District did not have deposit slips.

### COLLECTIONS (EXCLUDING ELECTRONIC FUNDS TRANSFERS) (CONTINUED)

- iii. The District did not have deposit slips; however, we were able to trace the check amounts from the Sheriff's Office distribution report to the bank statement.
- iv. Observed there was no evidence to determine that the deposits were made within one business day of the receipt.
- v. Found that 4 of 4 actual deposits per the bank statements were recorded in the general ledger.

***Management's response:***

*We will ensure employees who have access to cash are covered by a bond or insurance policy for theft.*

*We do not consider it necessary to have sequentially prenumbered receipts for collections received from other governmental entities.*

*In the future, we will maintain all required documentation for collections/deposits transactions as required.*

## NON-PAYROLL DISBURSEMENTS (EXCLUDING CARD PURCHASES, TRAVEL REIMBURSEMENTS, AND PETTY CASH PURCHASES)

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### 5) Non-Payroll Disbursement (excluding card purchases, travel reimbursements, and petty cash purchases)

- A. 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).

**Procedure Performed:** Obtained a listing of locations that process payments from management and management's representation that the listing is complete.

**Findings:** Found the District has one location that processes payments.

- B. For each location selected under procedure #5A 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, then inquire of employees about their job duties), and observe that job duties are properly segregated such that

- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
- ii. At least two employees are involved in processing and approving payments to vendors.
- iii. The employees responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
- iv. 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.
- v. 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.

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

**Procedure Performed:** Obtained a listing of employees/officials involved with non-payroll purchasing and payment functions and inquired of management regarding employees' job duties.

**Findings:**

- i. Two employees/officials are involved in initiating a purchase request, approving a purchase, and placing an order/making a purchase.
- ii. Two employees/officials are involved in processing and approving payments to vendors.

## NON-PAYROLL DISBURSEMENTS (EXCLUDING CARD PURCHASES, TRAVEL REIMBURSEMENTS, AND PETTY CASH PURCHASES) (CONTINUED)

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- iii. The employee responsible for processing payments is not prohibited from adding/modifying vendor files. However, the chairman periodically reviews changes to vendor files.
  - iv. The board members responsible for signing checks return the checks to the employee who processes payments for mailing.
  - v. Board members authorized to sign checks approve the electronic disbursement of funds.
- C. For each location selected under procedure #5A 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
- i. Observe whether the disbursement, whether by paper or electronic, matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
  - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5B, as applicable.

**Procedure Performed:** Obtained the District's non-payroll disbursements transaction population (excluding cards and travel reimbursements) and management's representation that the population is complete. We randomly selected 5 disbursements from the listing and obtained and observed supporting documentation for each transaction.

**Findings:**

- i. Found all 5 disbursements matched the related original invoice and supporting documentation indicated deliverables included on the invoices were received by the District.
- ii. Found all 5 disbursements had documentation which included evidence that the District is following its policies as it relates to the segregation of duties tested under 5B(i), 5B(ii). However, duties are not segregated as it relates to 5B(iv). 5B(iii) is not applicable for the selected disbursements because the vendor files were not added or modified for the disbursements. 5B(v) is not applicable for the selected disbursements because none of the disbursements were electronically disbursed.

**NON-PAYROLL DISBURSEMENTS (EXCLUDING CARD PURCHASES, TRAVEL  
REIMBURSEMENTS, AND PETTY CASH PURCHASES) (CONTINUED)**

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D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

**Procedure Performed:** Using the District's main operating account for the month selected in Bank Reconciliations procedure #3A, we selected all 3 of the District's non-payroll-related electronic disbursements and requested from management, the supporting documentation for each disbursement.

**Findings:**

- (a) Found the District did not maintain supporting documentation for the selected electronic disbursements; therefore, we were unable to determine if the disbursements were approved by those persons authorized to disburse funds per the District's policy.
- (b) Found the District did not maintain supporting documentation for the selected electronic disbursements; therefore, we were unable to determine if the disbursements were approved by the required number of authorized signers per the District's policy.

***Management's response:***

*Checks will no longer be mailed by the same employee who processes payments.*

*In the future, board members authorized to sign checks will approve all electronic disbursements of funds. We will also include evidence of two required authorized approvals for all electronic disbursements per District policy.*

## CREDIT CARDS/ DEBIT CARDS/ FUEL CARDS/ PURCHASE CARDS (CARDS)

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

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

**Procedure Performed:** Obtained from management a listing of all active credit cards, bank debit cards, fuel card, and purchase cards (cards) and related information for the fiscal period. Obtained management's written representation that the listing is complete.

**Findings:** Found that the list contained 9 fuel cards. The District has no other types of cards.

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

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

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

**Procedure Performed:** Randomly selected 5 fuel cards that were used during the fiscal period. Randomly selected and obtained one monthly combined statement and requested supporting documentation needed to perform procedures #6B(i) and (ii).

**Findings:**

- i. Found that the combined statement for the selected fuel cards had no evidence of being reviewed and approved, and that the District did not maintain supporting documentation during the fiscal year.
- ii. Found that no finance charges and late fees were assessed.

## **CREDIT CARDS/ DEBIT CARDS/ FUEL CARDS/ PURCHASE CARDS (CONTINUED)**

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- C. Using the monthly statements or combined statements selected under procedure #7B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

**Procedure #6C is not applicable because the District has only fuel cards, which are excluded from this step. (See procedure #6A above)**

***Management's response:***

*We will maintain supporting documentation for fuel card purchase and include written evidence that each monthly combined statement for fuel cards used by the District, has been reviewed and approved by authorized board members.*

## TRAVEL AND TRAVEL-RELATED EXPENSE REIMBURSEMENTS (EXCLUDING CARD TRANSACTIONS)

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

A. 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:

- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).
- ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- iii. Observe 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 Policies and Procedures procedure #1A(vii).
- iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

**Procedure Performed:** Inquired of management and obtained management's written representation that the District did not have any travel and travel-related expense reimbursements during the fiscal period.

**Findings:** Found that there were no travel and travel-related expense reimbursements during the fiscal year.

***Management's response:***

*No comment.*

## CONTRACTS

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### 8) Contracts

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and
- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
  - ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter)
  - iii. If the contract was amended (e.g., change order), observe 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).
  - iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

**Procedure Performed:** Inquired of management and obtained management's written representation that no agreements/contracts for professional services, materials and supplies, leases, and construction activities were initiated or renewed during the fiscal period.

**Findings:** Found that no agreements/contracts were initiated or renewed due to accounting records not being maintained during the fiscal period.

**Management's response:**

*No comment.*

## PAYROLL AND PERSONNEL

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### 9) Payroll and Personnel

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

**Procedure Performed:** Obtained a listing of employees/officials employed during the fiscal period and obtained management's representation that the listing is complete. Randomly selected 5 employees/officials from the listing. 2 employees and 3 board members were selected. We requested the related paid salaries and personnel files, and agreed salaries to authorized salaries for the two employees.

**Findings:** The listing contained 2 employees and 10 elected officials. Found that the District did not maintain payroll and personnel records during the fiscal period; therefore, we could not agree paid pay rates to authorized pay rates in the personnel files.

- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #9A above, obtain attendance records and leave documentation for the pay period, and:

- i. Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
- ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials.
- iii. Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
- iv. Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

**Procedure Performed:** We randomly selected one pay period during the fiscal period (pay period ending 10/6/2023) and requested attendance records and leave documentation for that pay period for the 2 employees selected under #9A.

**Findings:**

- i. Found that the selected employees did not document their daily attendance and leave.
- ii. Found there was no written evidence indicating a supervisor approved the attendance and leave of the selected employees.
- iii. Found no evidence that leave accrued or taken during the pay period was reflected in the entity's cumulative leave records.
- iv. Found that the District did not maintain payroll and personnel records during the fiscal period; therefore, we did could determine if the rate paid to the employee agreed to the authorized pay rate found within the personnel file.

## PAYROLL AND PERSONNEL (CONTINUED)

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

**Procedure Performed:** Inquired of management and obtained management's representation that no employees received termination payments during the fiscal period.

**Findings:** Found that no termination payments were made during the fiscal period.

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

**Procedure Performed:** Inquired of management and obtained management's representation that employer and employee portions of third-party payroll related amounts have been paid and all associated forms have been filed by required deadline.

**Findings:** Found that employer and employee portions of third-party payroll related amounts have been paid, and associated forms have been filed by required deadlines.

***Management's response:***

*Office administration and four board members resigned during the fiscal year and accounting/personnel records were misplaced.*

*In the future, we will maintain timesheets, document approval of attendance and leave, and maintain personnel records as required.*

## ETHICS

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### 10) Ethics

A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and:

- i. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170.
- ii. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

**Procedure Performed:** Obtained from management and observed ethics documentation for the 5 selected employees/officials from Payroll and Personnel procedure #9A. Obtained management's representation that there were no changes to the District's ethics policy during the fiscal year.

**Findings:**

- i. Observed documentation demonstrates 3 of 5 selected employees/officials completed one hour of ethics training during the fiscal period. The remaining 2 employees were no longer employed by the District at the end of the fiscal period.
- ii. This procedure is not applicable. There were no changes to the District's ethics policy during the fiscal period.

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

**Procedure Performed:** Inquired of management and obtained management's representation that the District has not appointed an ethics designee.

**Findings:** Found that the District has not appointed an ethics designee.

***Management's response:***

*We will appoint an ethics designee.*

## DEBT SERVICE

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### 11) Debt Service

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

**Procedure Performed:** Inquired of management and obtained management's representation that no bonds/notes and other debt instruments were issued during the fiscal period.

**Findings:** Found District did not issue any bonds/notes or other debt instruments during the fiscal period.

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

**Procedure Performed:** Inquired of management and obtained a listing of bonds/notes outstanding at the end of the fiscal period. Obtained management's representation that the listing is complete. We selected the one bond listed and inspected debt covenants and obtained supporting documentation for debt covenants requirements.

**Findings:** Found that the debt covenants requirements are met.

**Management's response:**

*No comment.*

## FRAUD NOTICE

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### 12) Fraud Notice

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

**Procedure Performed:** Inquired of management and obtained management's representation that the District did not have any misappropriation of public funds and assets during the fiscal period.

**Findings:** Found the District did not have any misappropriation of public funds and assets during the fiscal period.

- B. Observe 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.

**Procedure Performed:** Observed the District posted, on its premises the notice required by R.S. 24-523.1. Obtained management's representation that the District does not have a website.

**Findings:** Found the District posted, on its premises the notice required by R.S. 24-523.1. Found the District does not have a website.

**Management's response:**

*No comment.*

## INFORMATION TECHNOLOGY DISASTER RECOVERY/BUSINESS CONTINUITY

### 13) Information Technology Disaster Recovery/Business Continuity

A. Perform the following procedures, verbally discuss the results with management, and report “We performed the procedure and discussed the results with management.”

- i. Obtain and inspect the entity’s most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup (a) occurred within the past week (b) was not stored on the government’s local server or network, and (c) was encrypted.
- ii. Obtain and inspect the entity’s most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
- iii. Obtain a listing of the entity’s computers currently in use and their related locations, and management’s representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

**Procedure Performed:** We performed the procedures.

**Findings:** Verbally discussed the results with management.

B. Randomly selected 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

**Procedure Performed:** We performed the procedures.

**Findings:** Verbally discussed the results with management.

C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency’s information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

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

**Procedure Performed:** We performed the procedures.

**Findings:** Verbally discussed the results with management.

## PREVENTION OF SEXUAL HARASSMENT

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### 14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

**Procedure Performed:** Obtained and observed sexual harassment training documentation from management for the 5 employees/officials selected in Payroll & Personnel procedure #9A.

**Findings:** Found 3 of 5 employees/officials completed at least one hour of sexual harassment training during the calendar year. The remaining 2 employees were no longer employed by the District at the end of the fiscal period.

- B. Observe 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).

**Procedure Performed:** Inquired of management and obtained management's representation that the District does not have a sexual harassment policy and complaint procedure in place and the District does not have a website.

**Findings:** Found the District does not have a sexual harassment policy and complaint procedure posted on its premises.

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

- i. Number and percentage of public servants in the agency who have completed the training requirements;
- ii. Number of sexual harassment complaints received by the agency;
- iii. Number of complaints which resulted in a finding that sexual harassment occurred;
- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- v. Amount of time it took to resolve each complaint

**Procedure Performed:** Inquired of management and obtained management's representation that the District did not complete an annual sexual harassment report for the current fiscal period.

**Findings:** Found the District does not have an annual sexual harassment report for the current fiscal period as required by R.S. 42:344.

#### ***Management's response:***

*In the future, we will put a sexual harassment policy and complaint procedure in writing, post the policy and complaint procedure on our premises, and issue an annual sexual harassment report.*