

**RAPIDES SOIL AND WATER
CONSERVATION DISTRICT**
Alexandria, Louisiana

Financial Report

Year Ended June 30, 2019

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KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT AUDITOR'S REPORT

To the Board Members of the
Rapides Soil and Water Conservation District
Alexandria, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and major fund of the Rapides Soil and Water Conservation District (the "District") as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the Rapides Soil and Water Conservation District, as of June 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule on page 22 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the 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 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The schedule of revenues and expenditures by source, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of revenues and expenditures by source, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2019, on our consideration of The Rapides Soil and Water Conservation District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Rapides Soil and Water Conservation District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Rapides Soil and Water Conservation District's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
December 11, 2019

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS**

RAPIDES SOIL AND WATER CONSERVATION DISTRICT

Statement of Net Position
June 30, 2019

ASSETS		
Cash and interest-bearing deposits		\$ 735,807
Due from other governmental agencies		260,954
Other receivables		<u>5,000</u>
Total assets		<u>1,001,761</u>
LIABILITIES		
Accounts payable		85,010
Long-term liabilities:		
Due within one year		11,368
Due after one year		<u>34,105</u>
Total liabilities		<u>130,483</u>
NET POSITION		
Unrestricted		<u>\$ 871,278</u>

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

RAPIDES SOIL AND WATER CONSERVATION DISTRICT

Statement of Activities
For the Year Ended June 30, 2019

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position Governmental Activities</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
Governmental activities:				
Conservation	<u>\$ 850,782</u>	<u>\$ 792,637</u>	<u>\$ 97,146</u>	<u>\$ 39,001</u>
		General revenues:		
				1,429
				<u>5,462</u>
			Total general revenues	<u>6,891</u>
			Change in net position	45,892
			Net position, beginning of year	<u>825,386</u>
			Net position, end of year	<u>\$ 871,278</u>

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

FUND FINANCIAL STATEMENTS

RAPIDES SOIL AND WATER CONSERVATION DISTRICT

Balance Sheet
General Fund
June 30, 2019

ASSETS

Cash and interest-bearing deposits	\$ 735,807
Due from other governmental agencies	260,954
Other receivables	<u>5,000</u>
Total assets	<u>\$1,001,761</u>

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts payable	\$ 85,010
Fund balance:	
Unassigned	<u>916,751</u>
Total liabilities and fund balance	<u>\$1,001,761</u>

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

RAPIDES SOIL AND WATER CONSERVATION DISTRICT

Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
June 30, 2019

Total fund balance for the governmental fund	\$ 916,751
Total net position reported for governmental activities in the statement of net position is different because:	
Long-term liabilities are not due and payable in the current period and are therefore not reported in the governmental fund. Long-term liabilities at year end consist of:	
Compensated absences	<u>(45,473)</u>
Net position at June 30, 2019	<u>\$ 871,278</u>

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

RAPIDES SOIL AND WATER CONSERVATION DISTRICT

Statement of Revenues, Expenditures, and Changes in Fund Balance-
General Fund
For the Year Ended June 30, 2019

Revenues:	
Louisiana National Guard	\$ 792,637
Intergovernmental revenues	97,146
Interest	1,429
Miscellaneous	<u>5,462</u>
Total revenues	896,674
Expenditures:	
Current -	
Conservation	<u>841,799</u>
Net change in fund balance	54,875
Fund balance, beginning	<u>861,876</u>
Fund balance, ending	<u>\$ 916,751</u>

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

RAPIDES SOIL AND WATER CONSERVATION DISTRICT

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of the Governmental Fund
to the Statement of Activities
For the Year Ended June 30, 2019

Total net change in fund balance per the statement of revenues, expenditures, and changes in fund balance	\$ 54,875
The change in net position reported for governmental activities in the statement of activities is different because:	
Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds	
Change in compensated absences	<u>(8,983)</u>
Total changes in net position per statement of activities	<u>\$ 45,892</u>

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

RAPIDES SOIL AND WATER CONSERVATION DISTRICT

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

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

A. Financial Reporting Entity

The District was created by and in accordance with provisions of Louisiana Revised Statute (LSA-R.S.) 3:1201, and serves citizens within the boundaries of District 12, Area III of the State of Louisiana. The purpose of the District is to assist farmers and landowners within their boundaries in the prevention of land erosion and water pollution on their property. The District's board consists of five (5) landowners or occupants, of which two are appointed by the State Soil and Water Conservation District and the other three elected within the district.

Section 2100 of the 2011 Governmental Accounting Standards Board (GASB) Codification of Governmental Accounting and Financial Reporting Standards, "Defining the Financial Reporting Entity" establishes criteria for determining which entities should be considered a component unit and, as such, part of the reporting entity for financial reporting purposes. The basic criteria are as follows:

1. Legal status of the potential component unit including the right to incur its own debt, levy its own taxes and charges, expropriate property in its own name, sue and be sued, and the right to buy, sell and lease property in its own name.
2. Whether the primary government's governing authority (Board Members) appoints a majority of board members of the potential component unit and is able to impose its will on the potential component unit or whether the potential component unit is fiscally dependent on the primary government.
3. Financial benefit/burden relationship between the primary government and the potential component unit.
4. The nature and significance of the relationship between the potential component units with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading.

The District is a primary government and has no component units. The accompanying financial statements present information only on the funds maintained by the District and do not present information on any other governmental unit.

RAPIDES SOIL AND WATER CONSERVATION DISTRICT

Notes to Basic Financial Statements

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The government-wide financial statements provide operations accountability information for the District as an economic unit. The government-wide financial statements report the District's ability to maintain service levels and continue to meet its obligations as they come due. The statements generally include all governmental and business-type activities of the primary government, however, the district has no activities that it classifies as business-type.

Fund Financial Statements

The accounts of the District are organized on the basis of funds, each of which is considered to be an independent fiscal and accounting entity. The operations of each fund are accounted for within separate sets of self-balancing accounts, which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance/net position, revenues, and expenditures/expenses, and transfers.

Major funds are determined as funds whose revenues, expenditures/expenses, assets and deferred outflows of resources or liabilities and deferred inflows of resources are at least ten percent of the totals for all governmental or enterprise funds and at least five percent of the aggregate amount for all governmental funds for the same item or funds designated as major at the discretion of the District. Funds not classified as a major fund are aggregated and presented in a single column in the fund financial statements. The District uses the following fund.

Governmental Funds –

Governmental Funds are those through which most governmental functions of the District are financed. The acquisition use and balances of the District's expendable financial resources and the related liabilities are accounted for through governmental 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 another fund, if applicable.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The measurement focus determines the accounting and financial reporting treatment applied to a fund. The governmental activities within the government-wide statement of net position and statement of activities are presented using the economic resources measurement focus. The economic resources measurement focus meets the accounting objectives of determining net income and net position.

RAPIDES SOIL AND WATER CONSERVATION DISTRICT

Notes to Basic Financial Statements

The fund financial statements use either the current financial resources measurement focus or the economic resources measurement focus as appropriate. Governmental funds use the current financial resources measurement focus. The measurement focus is based upon the receipt and disbursement of current available financial resources rather than upon net income.

The accrual basis of accounting is used throughout the government-wide statements; conversely, the financial statements of the governmental funds have been prepared in accordance with the modified accrual basis of accounting, whereby revenues are recognized when considered both measurable and available to finance expenditures of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The District accrues intergovernmental revenue based upon this concept. Expenditures generally are recognized when the related fund liabilities are incurred and become payable in the current period.

Interest on invested funds is recognized upon maturity of those investments. Intergovernmental revenues that are reimbursement for specific purposes or projects are recognized in the period in which the expenditures are recorded. All other revenue items are considered to be measurable and available only when cash is received by the District.

Since the fund level financial statements are presented using a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented on the page following each fund level statement that summarizes the adjustments necessary to convert the fund level statements into the government-wide presentations.

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

Cash and interest-bearing deposits

For purposes of the statement of net position, cash includes all demand accounts, savings accounts, and certificates of deposit of the District. Under state law, the District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States of America. The District may invest in certificates and time deposits of state banks organized under Louisiana laws and national banks having principal offices in Louisiana.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities are related to intergovernmental revenue.

RAPIDES SOIL AND WATER CONSERVATION DISTRICT

Notes to Basic Financial Statements

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Compensated Absences

Employees of the District can earn and accumulate annual and sick leave at various rates depending on their years of service. Unused annual and sick leave accumulates without limit. The number of hours of unused annual leave for which an employee may receive a lump sum payment upon termination from District employment may not exceed 300 hours.

Equity Classifications

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

- a. Net investment in capital assets consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position consists of net position with constraints placed on the use either by external groups, such as creditors, grantors, and contributors, laws or regulations of other governments; or law through constitutional provisions or enabling legislation. It is the District's policy to use restricted net position prior to the use of unrestricted net position when both restricted and unrestricted net position are available for an expense which has been incurred.
- c. Unrestricted net position consists of all other assets, deferred outflows of resources, liabilities and deferred inflows of resources that do not meet the definition of "restricted" or "net investment in capital assets."

RAPIDES SOIL AND WATER CONSERVATION DISTRICT

Notes to Basic Financial Statements

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily upon the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The categories and their purposes are:

- a. Nonspendable includes fund balance amounts that cannot be spent either because they are not in spendable form or because of legal or contractual requirements requiring they remain intact.
- b. Restricted includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors, grantors, contributors or amounts constrained due to constitutional provisions or enabling legislation or the laws or regulations of other governments.
- c. Committed includes fund balance amounts that can be used only for specific purposes that are internally imposed by the District through formal legislative action of the Board Members and does not lapse at year end. A committed fund balance constraint can only be established, modified or rescinded by passage of an Ordinance (Law) by the Board Members.
- d. Assigned includes fund balance amounts that are constrained by the District's intent to be used for specific purposes, that are neither restricted nor committed. The assignment of fund balance is authorized by a directive from the Board Members and approval of a Resolution by the Board Members.
- e. Unassigned includes fund balance amounts which have not been classified within the above mentioned categories.

It is the District's policy to use restricted amounts first when both restricted and unrestricted fund balance is available unless prohibited by legal or contractual provisions. Additionally, the District uses committed, assigned, and lastly unassigned amounts of fund balance in that order when expenditures are made.

E. Revenues, Expenditures, and Expenses

Revenues

The District considers revenue to be susceptible to accrual in the governmental funds as it becomes measurable and available, as defined under the modified accrual basis of accounting. The District generally defines the availability period for revenue recognition as received within sixty (60) days of year end. The District's major revenue sources that meet this availability criterion are intergovernmental revenues.

Program revenues are derived directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole. Program revenues reduce the cost of the function to be financed from the District's general revenues. The primary sources of

RAPIDES SOIL AND WATER CONSERVATION DISTRICT

Notes to Basic Financial Statements

program revenue to the District are allocations received from the state and revenue received under contract with the Louisiana National Guard.

Interest income on certificates of deposits, are recorded upon the certificate of deposits maturity date.

Substantially all other revenues are recorded when received.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for the governmental activities. In the fund financial statements, expenditures are classified by character.

In the fund financial statements, governmental funds report expenditures of financial resources.

F. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. These estimates include assessing the collectability of accounts receivable and the useful lives and impairment of tangible and intangible assets, among others. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from those estimates.

(2) Cash and Interest-Bearing Deposits

Under state law, the District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The District may invest in direct obligations of the United States government, bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies and/or the United States government, and time certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the District's deposits may not be recovered, or the District will not be able to recover the collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. The District does not have a policy for custodial credit risks; however, under state law, deposits (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposits insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank by a holding

RAPIDES SOIL AND WATER CONSERVATION DISTRICT

Notes to Basic Financial Statements

or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2019, are secured as follows:

Bank balances	<u>\$ 736,097</u>
Federal deposit insurance	\$ 509,811
Uninsured and collateral held by the pledging bank not in the District's name	<u>226,286</u>
Total	<u>\$ 736,097</u>

(3) Due from other governmental agencies

Due from other governmental agencies consisted of the following:

State of Louisiana	\$ 12,198
USDA NRCS	55,000
Louisiana National Guard	<u>193,756</u>
	<u>\$ 260,954</u>

(4) Long-term liabilities

The following changes occurred in long term liabilities:

	<u>Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending</u>	<u>Due within a year</u>
Compensated absences	<u>\$ 36,490</u>	<u>\$ 23,781</u>	<u>\$ 14,798</u>	<u>\$ 45,473</u>	<u>\$ 11,368</u>

(5) Contract with Louisiana National Guard (LANG)

The District entered into a contract with the Louisiana National Guard to provide technical support in assisting the management of environmental resources to the Louisiana National Guard Construction and Facilities Management – Environmental Management Office (CFM-EM). Terms of the current contract are from February 1, 2019 through January 31, 2021.

The District's contract with the Louisiana National Guard represented approximately 88% of the receipts received by the District for the year ended June 30, 2019. The amount due from LANG, was \$193,756, or 74% of the District's due from other government agencies for the year ended June 30, 2019.

RAPIDES SOIL AND WATER CONSERVATION DISTRICT

Notes to Basic Financial Statements

(6) Compensation of Board Members

A detail of compensation paid to board members for the year ended June 30, 2019 is as follows:

Board Members	# of Meetings	Amount
Danny Coombs	11	\$ 385
Max C. Johnston	12	420
Larry Gillespie	7	245
Richard J. Melder *	10	-
Jim T. Harper *	6	-
Total		<u>\$ 1,050</u>

* These board members have elected not to receive a per diem for each meeting attended.

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

A detail of compensation, benefits, and other payments made to Jim T. Harper, Chairman, for the year ended June 30, 2019 follows:

<u>Purpose</u>	<u>Amount</u>
Travel	<u>\$ 165</u>

(8) Pending Litigation

There was no pending litigation against the Rapides Soil and Water Conservation District at June 30, 2019.

(9) Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; injuries to employees; and natural disasters. The District maintains commercial insurance coverage for each of these risks of loss. Management believes coverage is sufficient to preclude any significant uninsured loss to the District. There have been no significant reductions in the insurance during the year, nor have settlements exceeded coverage for the past three years.

**REQUIRED SUPPLEMENTARY
INFORMATION**

RAPIDES SOIL AND WATER CONSERVATION DISTRICT
General Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2019

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Louisiana National Guard	\$ 643,393	\$ 711,555	\$ 792,637	\$ 81,082
Intergovernmental revenues	41,192	86,780	97,146	10,366
Interest income	115	115	1,429	1,314
Miscellaneous	-	5,000	5,462	462
Total revenues	<u>684,700</u>	<u>803,450</u>	<u>896,674</u>	<u>93,224</u>
Expenditures:				
Current -				
Conservation	<u>684,700</u>	<u>803,450</u>	<u>841,799</u>	<u>(38,349)</u>
Net change in fund balance	-	-	54,875	54,875
Fund balance, beginning	<u>861,876</u>	<u>861,876</u>	<u>861,876</u>	<u>-</u>
Fund balance, ending	<u>\$ 861,876</u>	<u>\$ 861,876</u>	<u>\$ 916,751</u>	<u>\$ 54,875</u>

RAPIDES SOIL AND WATER CONSERVATION DISTRICT

Notes to the Required Supplementary Information
Year ended June 30, 2019

(1) Budget and Budgetary Accounting

The District follows the following procedures in establishing the budgetary data reflected in the financial statements:

1. The District secretary prepares a proposed operating budget for the General Fund for the fiscal year and submits it to the Board Members prior to the beginning of the fiscal year.
2. The proposed budget is discussed and adopted at the public meeting when presented.
3. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP).
4. Any amendment to the adopted budget must be approved by the Board Members.
5. All budgetary appropriations lapse at the end of each fiscal year. Budgeted amounts are as originally adopted or as amended by the Board Members. Such amendments were not material to the original appropriations.

(2) Excess of Expenditures Over Appropriations

The General Fund incurred expenditures in excess of appropriations.

**OTHER SUPPLEMENTARY
INFORMATION**

RAPIDES SOIL AND WATER CONSERVATION DISTRICT

Schedule of Revenues and Expenditures By Source

General Fund

For the Year Ended June 30, 2019

	General Sources	LANG Contract	Total
Revenues:			
Louisiana National Guard	\$ -	\$ 792,637	\$ 792,637
Intergovernmental revenues	97,146	-	97,146
Interest	1,429	-	1,429
Miscellaneous income	5,462	-	5,462
Total revenues	<u>104,037</u>	<u>792,637</u>	<u>896,674</u>
Expenditures:			
Current -			
Personnel costs	105,633	633,238	738,871
LWAG expenditures	50,000	-	50,000
Office supplies	846	5,538	6,384
Field supplies	-	2,118	2,118
Travel/meeting expense	8,035	22,106	30,141
Education/training	-	870	870
Dues	1,190	-	1,190
Legal and professional	8,800	-	8,800
Miscellaneous expense	2,500	925	3,425
Total expenditures	<u>177,004</u>	<u>664,795</u>	<u>841,799</u>
Net revenue (loss)	<u>\$ (72,967)</u>	<u>\$ 127,842</u>	<u>\$ 54,875</u>

**INTERNAL CONTROL,
COMPLIANCE AND
OTHER MATTERS**

KOLDER, SLAVEN & COMPANY, LLC

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

To the Board Members of the
Rapides Soil and Water Conservation District
Alexandria, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and major fund of the Rapides Soil and Water Conservation District (the "District"), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 11, 2019.

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 opinions 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 of 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of current and prior year audit findings and management's corrective action plan as items 2019-001 and 2019-002 that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Rapides Soil and Water Conservation District's Response to Findings

The District's response to the findings identified in our audit is described in the accompanying schedule of current and prior year audit findings and management's corrective action plan. 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
December 11, 2019

RAPIDES SOIL AND WATER CONSERVATION DISTRICT

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended June 30, 2019

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

A. Internal Control Over Financial Reporting

2019-001 Inadequate Segregation of Functions

Fiscal year finding initially occurred: Unknown.

CONDITION: The Rapides Soil and Water Conservation District did not have adequate segregation of functions within the accounting system.

CRITERIA: AU-C §315.04, Understanding the Entity and its Environment and Assessing the Risks of Material Misstatement, defines internal control as follows:

"Internal control is a process, affected by those charged with governance, management, and other personnel, designed to provide reasonable assurance about the achievement of objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations."

CAUSE: The cause of the condition is the fact that the District does not have a sufficient number of staff performing administrative and financial duties so as to provide adequate segregation of accounting and financial duties.

EFFECT: Failure to adequately segregate accounting and financial functions increases the risk that errors and/or irregularities including fraud and/or defalcations may occur and not be prevented and/or detected.

RECOMMENDATION: The District should evaluate the cost vs. benefit of complete segregation and whenever possible should reassign incompatible duties among different employees to ensure that a single employee does not have control of more than one of the following responsibilities: (1) authorization; (2) custody; (3) recordkeeping; and (4) reconciliation.

MANAGEMENT'S CORRECTIVE ACTION PLAN: The District agrees that a complete segregation of accounting functions would strengthen controls, but with limited current financial resources, we are not able to hire additional personnel at this time.

RAPIDES SOIL AND WATER CONSERVATION DISTRICT

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended June 30, 2019

2019-002 Application of Generally Accepted Accounting Principles (GAAP)

Fiscal year finding initially occurred: Unknown

CONDITION: The Rapides Soil and Water Conservation District did not have adequate internal controls over recording the entity's financial transactions or preparing its financial statements, including related notes in accordance with generally accepted accounting principles (GAAP).

CRITERIA: AU-C§265.A37 identifies the following as a deficiency in the design of (internal) controls:

"... in an entity that prepares financial statements in accordance with generally accepted accounting principles, the person responsible for the accounting and reporting function lacks the skills and knowledge to apply generally accepted accounting principles in recording the entity's financial transactions or preparing its financial statements."

CAUSE: The cause of the condition is the result of a failure to design or implement policies and procedures necessary to achieve adequate internal control.

EFFECT: Financial statements and related supporting transactions may reflect a departure from generally accepted accounting principles.

RECOMMENDATION: The District should evaluate the additional costs required to achieve the desired benefit and determine if it is economically feasible in relation to the benefit received.

MANAGEMENT'S CORRECTIVE ACTION PLAN: The District, has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the District to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

B. Compliance and other matters

None reported.

RAPIDES SOIL AND WATER CONSERVATION DISTRICT

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended June 30, 2019

Part II: Prior Year Findings:

A. Internal Control Over Financial Reporting

2018-001 Inadequate Segregation of Functions

CONDITION: The Rapides Soil and Water Conservation District did not have adequate segregation of functions within the accounting system.

RECOMMENDATION: The District should evaluate the cost vs. benefit of complete segregation and whenever possible should reassign incompatible duties among different employees to ensure that a single employee does not have control of more than one of the following responsibilities: (1) authorization; (2) custody; (3) recordkeeping; and (4) reconciliation.

CURRENT STATUS: Unresolved. See item 2019-001.

2018-002 Application of Generally Accepted Accounting Principles (GAAP)

CONDITION: The Rapides Soil and Water Conservation District did not have adequate internal controls over recording the entity's financial transactions or preparing its financial statements, including related notes in accordance with generally accepted accounting principles (GAAP).

RECOMMENDATION: Management should evaluate the additional costs required to achieve the desired benefit and determine if it is economically feasible in relation to the benefit received.

CURRENT STATUS: Unresolved. See item 2019-002.

B. Compliance and other matters

None reported.

**RAPIDES SOIL AND WATER
CONSERVATION DISTRICT**
Alexandria, Louisiana

Statewide Agreed-Upon Procedures Report

Fiscal Period July 1, 2018 through June 30, 2019

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board Members of the
Rapides Soil and Water Conservation District and
the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by Rapides Soil and Water Conservation District (Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2018 through June 30, 2019. The Entity's management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated findings are as follows:

Written Policies and Procedures

1. We obtained and inspected the entity's written policies and procedures and observed that they address each of the following categories and subcategories:
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) ***Disbursements***, including processing, reviewing, and approving.

- d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- e) ***Payroll/Personnel***, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- f) ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) ***Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)
- h) ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- j) ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) ***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.

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-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.*
- c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

Bank Reconciliations

- 3. We obtained a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. We asked management to identify the entity's main operating account. We selected the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). We randomly selected one month from the fiscal period, obtained and inspected the corresponding bank statement and reconciliation for selected each account, and observed that:
 - a) Bank reconciliations included evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
 - b) Bank reconciliations included evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Collections

- 4. We obtained a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. We randomly selected 5 deposit sites (or all deposit sites if less than 5).
- 5. For each deposit site selected, we obtained a listing of collection locations and management's representation that the listing is complete. Randomly selected one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtained and inspected written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observed that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. Inquired of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
7. Randomly selected two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (selected the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly selected a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtained supporting documentation for each of the 10 deposits and:
- a) Observed that receipts are sequentially pre-numbered.
 - b) Traced sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Traced the deposit slip total to the actual deposit per the bank statement.
 - d) Observed that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
 - e) Traced the actual deposit per the bank statement to the general ledger.

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

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquired of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtained management's representation that the population is complete. Randomly select 5 disbursements for each location, obtained supporting documentation for each transaction and:
- a) Observe that the disbursement matched the related original invoice/billing statement.
 - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

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

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtained supporting documentation, and:
- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]
 - b) Observe that finance charges and late fees were not assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by

(1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

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

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- a) If reimbursed using a per diem, agreed the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, observed that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observed that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
 - d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
 - c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.
 - d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agreed the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Payroll and Personnel

16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agreed paid salaries to authorized salaries/pay rates in the personnel files.
17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agreed the hours to the employee/officials' cumulate leave records, and agreed the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.
19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
 - a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

Debt Service

21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Selected all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtain for each bond/note issued.
22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspected debt covenants, obtain supporting documentation for the reserve balance and payments, and agreed actual reserve balances and payments to those required by debt covenants.

Other

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
24. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Findings:

In accordance with the Statewide Agreed-Upon Procedures, certain categories may be excluded from testing. Therefore, the following categories were not tested this year: Board or Finance Committee, Disbursements, Credit/Debit/Fuel Cards, Travel and Expense Reimbursement, Contracts, Payroll and Personnel, Ethics, Debt Service and Other.

No exceptions were found as a result of applying procedures listed above except:

Written Policies:

The District does not have written policies and procedures for budgeting.

The District does not have written policies and procedures for contracting.

The District does not have written policies and procedures for ethics.

The District does not have written policies and procedures for disaster recovery/business continuity.

Bank Reconciliations:

For one bank account tested, a bank reconciliation was not performed. Therefore, the steps could not be performed as indicated by the procedures.

Collections:

The person responsible for collecting cash for the District is also responsible for preparing the deposit slip and depositing the cash and recording the deposit into the general ledger. The Board does review receipts at every monthly meeting.

Management's Response:

Management of Rapides Soil and Water Conservation District concurs with the exceptions and are working to address the deficiencies identified.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures; other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
December 11, 2019