

**COMBINED ANTI-DRUG TEAM  
Lake Charles, Louisiana**

**Financial Report  
For the Year Ended June 30, 2018**

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# Langley, Williams & Company, L.L.C.

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## INDEPENDENT AUDITORS' REPORT

Combined Anti-Drug Team  
Lake Charles, Louisiana

We have audited the accompanying financial statements of the governmental activities of Combined Anti-Drug Team as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Combined Anti-Drug Team'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.

### *Auditors' 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. 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.

Combined Anti-Drug Team  
Lake Charles, Louisiana

### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities of the Combined Anti-Drug Team, as of June 30, 2018, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### *Other Matters*

#### *Required Supplementary Information*

The Combined Anti-Drug Team 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, economical, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that budgetary comparison information on page 23 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Combined Anti-Drug Team's basic financial statements. The schedule of compensation, benefits and other payments to agency head is presented on page 25 and is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Combined Anti-Drug Team  
Lake Charles, Louisiana

***Other Reporting Required by Governmental Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2018, on our consideration of the Combined Anti-Drug Team's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 District's internal control over financial reporting and compliance.

This report is intended solely for the information and use of management, and Legislative Auditor, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Joyce Williams, Co. #88*

Lake Charles, Louisiana  
December 27, 2018

GOVERNMENT-WIDE  
FINANCIAL STATEMENTS (GWFS)

COMBINED ANTI-DRUG TEAM  
Lake Charles, Louisiana

STATEMENT OF NET POSITION

June 30, 2018

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and interest bearing deposits	\$ 2,382,578
Receivables	330,005
Capital assets, net of accumulated depreciation	<u>112,509</u>
Total assets	<u>\$ 2,825,092</u>
<b>LIABILITIES</b>	
Accounts payable	<u>\$ 52,219</u>
Total liabilities	52,219
<b>NET POSITION</b>	
Invested in capital assets	112,509
Unrestricted	<u>2,660,364</u>
Total net position	<u>2,772,873</u>
Total liabilities and net position	<u>\$ 2,825,092</u>

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

COMBINED ANTI-DRUG TEAM  
Lake Charles, Louisiana

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2018

Activities	Expenses	Program Revenues		Net (Expenses) Revenues and Changes in Net Assets Governmental Activities
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	
Governmental activities:				
Public safety	\$ 460,562	\$ -	\$ -	\$ (460,562)
 Total Governmental Activities	\$ 460,562	\$ -	\$ -	(460,562)
 General revenues:				
Interest earnings				12,323
Forfeitures				730,287
Intergovernmental				212,027
Other				4,957
Total general revenues				959,594
Change in net position				499,032
Net position - July 1, 2017				2,273,841
Net position - June 30, 2018				\$ 2,772,873

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

FUND FINANCIAL STATEMENTS (FFS)

COMBINED ANTI-DRUG TEAM  
Lake Charles, Louisiana

BALANCE SHEET - GOVERNMENTAL FUND

June 30, 2018

	<u>General Fund</u>
<u>ASSETS</u>	
Cash and interest bearing deposits	\$ 2,382,578
Receivables	<u>330,005</u>
Total assets	<u>\$ 2,712,583</u>
<u>LIABILITIES AND FUND BALANCE</u>	
Liabilities:	
Accounts payable	<u>\$ 52,219</u>
Total liabilities	52,219
Fund balance:	
Unassigned	<u>2,660,364</u>
Total fund balance	<u>2,660,364</u>
Total liabilities and fund balance	<u>\$ 2,712,583</u>

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

COMBINED ANTI-DRUG TEAM  
Lake Charles, Louisiana

RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET  
TO THE STATEMENT OF NET POSITION

June 30, 2018

FUND BALANCE OF GOVERNMENTAL FUNDS \$ 2,660,364

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

Capital assets used in governmental activities are not financial  
resources and, therefore, are not reported in the funds.  
Those assets consist of:

Cost of capital assets	\$ 226,831	
Less - accumulated depreciation	<u>(114,322)</u>	<u>112,509</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 2,772,873

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

COMBINED ANTI-DRUG TEAM  
Lake Charles, Louisiana

STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUND

For the Year Ended June 30, 2018

	<u>General Fund</u>
REVENUES:	
Intergovernmental	\$ 212,027
Forfeitures	730,287
Interest earnings	12,323
Other	4,957
Total revenues	<u>959,594</u>
EXPENDITURES:	
Public safety:	
Personnel services	216,969
Operating services	191,525
Materials and supplies	26,392
Capital outlay	107,361
Total expenditures	<u>542,247</u>
NET CHANGE IN FUND BALANCE	417,347
FUND BALANCE AT BEGINNING OF YEAR	<u>2,243,017</u>
FUND BALANCE AT END OF YEAR	<u><u>\$ 2,660,364</u></u>

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

COMBINED ANTI-DRUG TEAM  
Lake Charles, Louisiana

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - GOVERNMENTAL FUND -  
TO THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2018

Total net changes in fund balance - governmental fund - per the  
Statement of Revenues, Expenditures and Changes in Fund Balance \$ 417,347

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

Governmental funds report capital outlays as expenditures.  
However, in the Statement of Activities, the cost of  
those assets is allocated over their estimated useful lives  
and reported as depreciation expense. This is the amount  
by which capital outlay exceeds depreciation expense in  
the current period.

Capital assets purchased	107,361
Depreciation expense	(25,676)
	<u>81,685</u>

Change in net position of governmental activities \$ 499,032

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

COMBINED ANTI-DRUG TEAM  
Lake Charles, Louisiana

Notes to the Financial Statements

INTRODUCTION

The Combined Anti-Drug Team was formed by a mutual aid agreement entered into on November 22, 2004, by and between the Calcasieu Parish Sheriff's Office, City of Lake Charles, City of Westlake, City of DeQuincy, City of Vinton, City of Iowa, United States Marshal's Office Western District of Louisiana, and the Federal Bureau of Investigation. The agreement's purpose is to create a multi-agency law enforcement task force whose efforts are directed toward the investigation of narcotics and vice crimes.

The accounting and reporting policies of the Combined Anti-Drug Team conform to accounting principles generally accepted in the United States of America as applicable to governments. Such accounting and reporting procedures conform to the requirements of Louisiana Revised Statute 24:513, as well as any applicable requirements set forth by *Audits of State and Local Governments Units*, the industry audit guide issued by the American Institute of Certified Public Accountants; and the *Louisiana Governmental Audit Guide*.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

For financial reporting purposes, the Combined Anti-Drug Team includes all funds, account groups, activities, et cetera, that are controlled by the Combined Anti-Drug Team. The Combined Anti-Drug Team is solely responsible for the operations of its office, which includes authority over budgeting, responsibility for deficits, and receipt and disbursements of funds. Other than certain operating expenditures of the Combined Anti-Drug Team's office that are paid or provided by the members of the joint agreement, the Combined Anti-Drug Team is financially independent. Accordingly, the Combined Anti-Drug Team is a separate governmental reporting entity. Certain units of local government, over which the Combined Anti-Drug Team exercises no oversight responsibility, such as the parish police jury, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Combined Anti-Drug Team.

B. BASIS OF PRESENTATION

Government-Wide and Fund Financial Statements

The government-wide financial statements report information on all of the non-fiduciary activities. For the most part, the effect of interfund activity has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Forfeitures and other revenues are reported as general revenues.

COMBINED ANTI-DRUG TEAM  
Lake Charles, Louisiana

Notes to the Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

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

The amounts reflected in the governmental fund financial statements use the modified accrual basis of accounting. 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 of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, as under accrual accounting.

The government-wide financial statements are accounted for using an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position and financial position. All assets and liabilities (whether current or noncurrent) associated with their activities are reported.

The government-wide financial statements are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. The governmental fund uses the following practices in recording revenues and expenditures:

Revenues: Intergovernmental revenues and forfeitures are recorded when the Combined Anti-Drug Team is entitled to the funds.

Interest income on deposits is recorded when interest is earned. Substantially all other revenues are recorded when received.

Expenditures: The Combined Anti-Drug Team's primary expenditures include salaries and investigations, which are recorded when the liability is incurred. Capital expenditures and purchases of various operating supplies are regarded as expenditures at the time purchased.

The Combined Anti-Drug Team reports the following major governmental fund:

General Fund: The general fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Combined Anti-Drug Team reports all revenues as general revenues.

COMBINED ANTI-DRUG TEAM  
Lake Charles, Louisiana

Notes to the Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

D. BUDGET PRACTICES

1. The proposed budget is prepared and submitted to the Advisory Board for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. The proposed budget is made available for public inspection.
3. The budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
4. All budgetary appropriations lapse at the end of each fiscal year.
5. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as finally amended by the Board.

E. CASH AND INTEREST-BEARING DEPOSITS

Cash and interest-bearing deposits include amounts in demand deposits, interest-bearing demand deposits and time deposits. They are stated at cost, which approximates market.

F. RECEIVABLES

Receivables consist of all revenues earned at year-end and not yet received. Receivables are reported net of allowance for uncollectible accounts and revenues net of uncollectibles. Allowances are reported when accounts are proven to be uncollectible. The Combined Anti-Drug Team has determined there is no allowance for uncollectible accounts at June 30, 2018.

G. CAPITAL ASSETS

Capital assets are capitalized at historical cost. The Combined Anti-Drug Team maintains a threshold level of \$1,000 or more for capitalizing capital assets.

Capital assets are recorded in the Statement of Net Position and Statement of Activities. Since surplus assets are sold for immaterial amounts when declared as no longer needed for public purpose, no salvage value is taken into consideration for depreciation purposes. All capital assets are depreciated using the straight-line method over the following useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Office equipment, and furniture	5-12
Law enforcement equipment	3-10

COMBINED ANTI-DRUG TEAM  
Lake Charles, Louisiana

Notes to the Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

H. EQUITY CLASSIFICATIONS

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

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of assets with constraints placed on the use by either (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

I. FUND EQUITY

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Any designations of fund balance represent tentative management plans that are subject to change.

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

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

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

**Committed** – amounts that can be used only for specific purposes determined by a formal action of the voting members. The voting members are the highest level of decision-making authority for the Combined Anti-Drug Team’s Office. Commitments may be established, modified, or rescinded only through resolutions approved by the voting members.

**Assigned** – amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Under the Combined Anti-Drug Team’s adopted policy, only voting members may assign amounts for specific purposes.

**Unassigned** – all other spendable amounts.

COMBINED ANTI-DRUG TEAM  
Lake Charles, Louisiana

Notes to the Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

I. FUND EQUITY – (Continued)

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the Combined Anti-Drug Team considers restricted funds to have been spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the Combined Anti-Drug Team considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Combined Anti-Drug Team has provided otherwise in its commitment or assignment actions.

J. FORFEITED ASSETS

The Combined Anti-Drug Team acquires various assets which are forfeited by defendants in accordance with judgments rendered by the courts in certain drug-related cases. It is the policy of the agency to sell all forfeited assets and record the proceeds as revenue at the time of the sale. At June 30, 2018, the Combined Anti-Drug Team has assets which have not been sold and are not reported in the accompanying general purpose financial statements.

K. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

2. CASH AND INTEREST-BEARING DEPOSITS

Under state law, the Combined Anti-Drug Team may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state, or the laws of the United States. The Combined Anti-Drug Team may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2018, the Combined Anti-Drug Team has cash and interest-bearing deposits (book balances) totaling \$2,382,578. Included in total cash and interest-bearing deposits is \$20,000 in cash, which is held by the Task Force for use in drug investigations. The remaining \$2,362,578 is in interest bearing checking accounts and various certificates of deposit.

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

COMBINED ANTI-DRUG TEAM  
Lake Charles, Louisiana

Notes to the Financial Statements

2. CASH AND INTEREST-BEARING DEPOSITS – (Continued)

At June 30, 2018, the Combined Anti-Drug Team has \$2,419,220 in deposits (collected bank balances). These deposits are secured from risk by \$1,263,580 of federal deposit insurance and \$1,376,623 of pledged securities held by the custodial banks in the name of the fiscal agent bank (GASB Category 3). The \$20,000 held in cash is uninsured.

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Combined Anti-Drug Team that the fiscal agent has failed to pay deposited funds upon demand.

3. RECEIVABLES

The receivables of \$330,005 at June 30, 2018, are amounts due from restitutions, forfeitures and overtime reimbursements.

4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2018 was as follows:

	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018
Governmental activities:				
Law enforcement equipment	\$ 119,470	\$ 107,361	\$ -	\$ 226,831
Total	119,470	107,361	-	226,831
Less accumulated depreciation	(88,646)	(25,676)	-	(114,322)
Net assets	<u>\$ 30,824</u>	<u>\$ 81,685</u>	<u>\$ -</u>	<u>\$ 112,509</u>

Depreciation expense in the amount of \$25,676 was charged to public safety.

5. LITIGATION AND CLAIMS

The Combined Anti-Drug Team is involved in lawsuits arising in the ordinary course of its business that, in the opinion of management, will not have a material effect on the Combined Anti-Drug Team's results of operations.

COMBINED ANTI-DRUG TEAM  
Lake Charles, Louisiana

Notes to the Financial Statements

6. EXPENDITURES OF THE COMBINED ANTI-DRUG TEAM'S OFFICE PAID BY THE MEMBERS OF THE JOINT AGREEMENT

The Combined Anti-Drug Team members are employees of the agencies participating in the mutual aid agreement. The personnel services and equipment provided by those agencies are not included in the accompanying basic financial statements. However, all overtime incurred by such personnel, whom are working on behalf of the Combined Anti-Drug Team, is paid by the Combined Anti-Drug Team to those agencies and is included in the accompanying financial statements.

7. SUBSEQUENT EVENTS

The Combined Anti-Drug Team is not aware of any subsequent events through the date of the independent auditors' report, the date the financial statements were available to be issued, for events requiring to be recorded or disclosed in the financial statement.

REQUIRED SUPPLEMENTARY INFORMATION

COMBINED ANTI-DRUG TEAM  
Lake Charles, Louisiana

BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND

For the Year Ended June 30, 2018

	Budget Amounts		Actual	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 333,000	\$ 200,385	\$ 212,027	\$ 11,642
Forfeitures	100,000	432,163	730,287	298,124
Interest earnings	10,618	12,214	12,323	109
Other	32,500	26,436	4,957	(21,479)
Total revenues	<u>476,118</u>	<u>671,198</u>	<u>959,594</u>	<u>288,396</u>
<b>EXPENDITURES</b>				
Public safety:				
Personnel services	234,000	216,100	216,969	(869)
Operating services	418,841	195,033	191,525	3,508
Materials and supplies	32,500	27,061	26,392	669
Capital outlay	110,000	107,361	107,361	-
Total expenditures	<u>795,341</u>	<u>545,555</u>	<u>542,247</u>	<u>3,308</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	(319,223)	125,643	417,347	291,704
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>2,066,864</u>	<u>2,243,017</u>	<u>2,243,017</u>	<u>-</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u><u>\$1,747,641</u></u>	<u><u>\$2,368,660</u></u>	<u><u>\$2,660,364</u></u>	<u><u>\$ 291,704</u></u>

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

OTHER SUPPLEMENTAL INFORMATION

COMBINED ANTI-DRUG TEAM  
Lake Charles, Louisiana

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS  
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER

For the Year Ended June 30, 2018

Agency Head Name / Title: Gary Sonnier, Director

Purpose:	Amount Paid By	
	Combined Anti-Drug Team (Audited)	Lake Charles Police Department (Unaudited)
Salary	\$ -	\$ 109,793
Benefits - insurance	-	6,384
Benefits - retirement	-	3,528
Benefits - other	-	1,577
Per diem	-	-
Continuing professional education	-	-
Reimbursements	123	-
Registration fees	-	-
Conference travel	384	-
	<u>\$ 507</u>	<u>\$ 121,282</u>

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

INTERNAL CONTROL  
AND  
COMPLIANCE



# Langley, Williams & Company, L.L.C.

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### 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*

Combined Anti-Drug Team  
Lake Charles, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Combined Anti-Drug Team as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Combined Anti-Drug Team's basic financial statements, and have issued our report thereon dated December 27, 2018.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Combined Anti-Drug Team'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 Combined Anti-Drug Team's internal control. Accordingly, we do not express an opinion on the effectiveness of the Combined Anti-Drug Team's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we 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 Combined Anti-Drug Team's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 that is required to be reported under *Government Auditing Standard*.

**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.

This report is intended solely for the information and use of the Combined Anti-Drug Team, the Sheriff's management, the Legislative Auditor of the State of Louisiana, and is not intended to be and should not be used by anyone other than these specified parties.

*Joyly, William Co, LLC*

Lake Charles, Louisiana  
December 27, 2018

COMBINED ANTI-DRUG TEAM  
Lake Charles, Louisiana

CURRENT AND PRIOR YEAR AUDIT FINDINGS  
AND RESPONSES

For the Years Ended June 30, 2018 and 2017

SECTION 1 – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified?  Yes  No

Significant deficiencies identified not considered  
to be material weaknesses?  Yes  None reported

Noncompliance required to be reported under  
*Government Audit Standards*?

Yes  No

COMBINED ANTI-DRUG TEAM  
Lake Charles, Louisiana

Summary Schedule of Current and Prior Year Audit  
Findings and Responses

For the Years Ended June 30, 2018 and 2017

SECTION II - FINANCIAL STATEMENT FINDINGS

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Responses	Name of Contact Person	Anticipated Completion Date
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Current year (06/30/18)

Internal Control:        There were no findings with regards to internal control over financial reporting.

Compliance:            There were no findings with regards to compliance.

Prior year (06/30/17)

Internal Control:        There were no findings with regards to internal control over financial reporting.

Compliance:            There were no findings with regards to compliance.

SECTION III - MANAGEMENT LETTER

No separate management letter was issued.



# Langley, Williams & Company, L.L.C.

## CERTIFIED PUBLIC ACCOUNTANTS

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LESTER LANGLEY, JR.  
DANNY L. WILLIAMS  
PHILLIP D. ABSHIRE, JR.  
DAPHNE BORDELON BERKEN  
PHILLIP D. ABSHIRE, III  
NICHOLAS J. LANGLEY  
ALEXIS H. O'NEAL

## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Combined Anti-Drug Team  
Lake Charles, Louisiana

We have performed the procedures enumerated below, which were agreed to by Combined Anti-Drug Team ("CAT") 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 from July 1, 2017 through June 30, 2018. The Entity's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. 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*

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1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
  - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget
  - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
  - c) **Disbursements**, including processing, reviewing, and approving
  - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
  - e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

**We obtained a policy letter from CAT stating that CAT has adopted the policies and procedures set forth by the Calcasieu Parish Sheriff's Office for the above procedures for the fiscal year ended June 30, 2018. Since CAT does not have any personnel employed directly through CAT there is no payroll and no required ethics training resulting in these procedures not being applicable. In addition, there is no debt service per CAT's trial balance resulting in this procedure not being applicable.**

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

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- 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.

**The board met on a quarterly basis for the fiscal period with a quorum in attendance at all meetings.**

- 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.

**There were no exceptions noted as a result of applying this procedure.**

- 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.

**Per the prior year audit report, the unrestricted fund balance in the general fund did not have a negative ending balance; therefore, resulting in this procedure not being applicable.**

### ***Bank Reconciliations***

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

**We obtained a list of bank accounts from management and management's representation that the list was complete. Once obtained we selected the month of June for testing for all accounts.**

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

**Obtained bank statements and reconciliations for all accounts in the fiscal period noting that reconciliations have been prepared within two months of the related statement closing.**

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

**In reviewing the reconciliations, we found that a member of management who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation.**

- 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.

**There were no reconciling items that have been outstanding for more than twelve months from the statement closing date resulting in this procedure not being applicable.**

### ***Collections***

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4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

**Obtained a listing of all deposit sites for the fiscal period and management's representation that the listing is complete.**

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

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

**Employees 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.

**Employees responsible for collecting cash are not responsible for preparing/making bank deposits.**

- 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.

**Employees responsible for collecting cash are not responsible for posting collection entries to the general ledger or subsidiary ledgers.**

- 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.

**The employee responsible for reconciling cash collections to the general ledger is not responsible for collecting cash. In the event that that employee does collect cash then another employee will verify the reconciliation.**

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

**All employees who have access to cash are covered by the Calcasieu Parish Sheriff's Office Blanket Policy.**

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.

**In reviewing the receipts for the selected deposit dates, we found CAT did not receive any public funds; all funds received were intergovernmental related, thus resulting in this being not applicable.**

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

**There were no exceptions noted as a result of applying this procedure.**

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

**There were no exceptions noted as a result of applying this procedure.**

- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).

**Exception: In reviewing the supporting documentation, we found that the deposit for one of the deposit dates selected was not made within one business day of receipt; however, it was deposited within two days of collection.**

**Management's response: Management will implement a process that insures that deposits are made within one business day of receipt.**

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

**There were no exceptions noted as a result of applying this procedure.**

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

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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).

**Per discussion with management, all payments are processed in the accounting office of the Calcasieu Parish Sheriff's Office.**

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

**There were no exceptions noted as a result of applying this procedure.**

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

**There were no exceptions noted as a result of applying this procedure.**

- 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.

**There were no exceptions noted as a result of applying this procedure.**

- 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.

**There were no exceptions noted as a result of applying this procedure.**

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

- a) Observe that the disbursement matched the related original invoice/billing statement.

**There were no exceptions noted as a result of applying this procedure.**

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

**There were no exceptions noted as a result of applying this procedure.**

#### ***Credit Cards/Debit Cards/Fuel Cards/P-Cards***

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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.

**Obtained a listing of all active credit cards and 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), obtain 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.)]

**There were no exceptions noted as a result of applying this procedure.**

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

**There were no exceptions noted as a result of applying this procedure.**

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

**There were no exceptions noted as a result of applying these procedures.**

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

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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:

**Obtained a listing of all travel and travel-related expense reimbursements and management's representation that the listing is complete.**

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

**When applicable to the sample selected, there were no exceptions noted as a result of applying this procedure.**

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

**When applicable to the sample selected, there were no exceptions noted as a result of applying this procedure.**

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

**There were no exceptions noted as a result of applying this procedure.**

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

**There were no exceptions noted as a result of applying this procedure.**

### ***Contracts***

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- 15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

**Obtained a listing of all agreements/contracts for the fiscal period and management's representation that the listing is complete.**

- 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.

**When applicable to the sample selected, there were no exceptions noted as a result of applying this procedure.**

- 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).

**There were no exceptions noted as a result of applying this procedure.**

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

**None of the selected contracts were amended during the fiscal period making this procedure not applicable.**

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

**There were no exceptions noted as a result of applying these procedures.**

***Payroll and Personnel***

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

**The individuals that comprise the CAT team are paid by the agencies in which they are employed. CAT reimburses each agency based on invoices received from each agency. Therefore, the payroll and personnel agreed upon procedures are not applicable.**

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.)

**Not applicable.**

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

**Not applicable.**

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

**Not applicable.**

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

**Not applicable.**

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.

**Not applicable.**

***Ethics***

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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.

**See note above in procedure #16 under "Payroll and Personnel," this procedure is not applicable.**

- 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.

**Not applicable.**

***Debt Service***

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

**Not applicable, since CAT has no issued bonds/notes during the fiscal period.**

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

**Not applicable.**

***Other***

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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.

**Management has asserted that CAT did not have any misappropriations of public funds or assets.**

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.

**The required notice was posted on the entity's premises. CAT does not have a website.**

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.

A handwritten signature in blue ink that reads "Langley, Williams & Co., LLC". The signature is written in a cursive, slightly slanted style.

Langley, Williams & Co. LLC  
Lake Charles, Louisiana  
December 27, 2018