

VILLAGE OF SUN



ADVISORY SERVICES
PROCEDURAL REPORT
ISSUED MARCH 9, 2022

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Louisiana Legislative Auditor

Michael J. “Mike” Waguespack, CPA



Village of Sun

March 2022

Audit Control # 70210077

Introduction

The Louisiana Legislative Auditor (LLA) performed certain procedures at the Village of Sun (Village) to address the requirements of Act 774 of the 2014 Regular Legislative Session, as amended. The primary purpose of our procedures at the Village was to assist the Village in evaluating certain controls the Village uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and overall accountability over public funds. Our procedures were more limited than an audit; therefore, we are not issuing an opinion on the Village’s financial statements, nor the effectiveness of the Village’s internal control over financial reporting and compliance.

Results of Our Procedures

Current-year Results

1. Financial Management

We obtained management’s representation and documentation to support the Village’s implementation of the following recommendations made by LLA in 2019:

- Prepare budget-to-actual comparisons for all major funds and provide to the aldermen at each monthly board meeting.
- Segregate incompatible billing and collection job duties between the clerk and office staff, such that one employee cannot collect payments, make deposits, update accounting records, or reconcile accounts without verification by another employee.
- Establish a formal deposit schedule if daily deposits are not practical or cost efficient.
- Perform a daily reconciliation of customer receipts, collection report posting, and bank deposits, and require the mayor to approve the reconciliation in writing.
- Require the mayor to approve, in writing, any adjustments made to customer utility bills and to review a monthly system-generated billing adjustment report.

- Research outstanding checks and deposits on monthly bank reconciliations and submit unclaimed property to the State Treasurer's office when such items meet the requirements of Louisiana Revised Statute (R.S.) 9:151, *et seq.*
- Develop, adopt, and implement written policies and procedures over budgeting, utility billing adjustments, collections, and reconciliations, incorporating our recommendations.

Results: Management did not provide the aldermen with budget-to-actual comparisons at monthly board meetings. Also, the mayor did not approve, in writing, utility billing adjustments made in the utility billing system. Finally, utility billing adjustments were not addressed in the Village's written policies and procedures.

Recommendation: We recommend management provide budget-to-actual comparisons to the aldermen at each monthly board meeting. We also recommend the mayor review and approve, in writing, all utility billing adjustments regardless of the reason for the adjustment. Finally, we recommend management update the Village's policies and procedures to address utility billing adjustments.

2. **Ethics**

We selected five employees/officials and assessed documentation to verify that each employee completed at least one hour of ethics training during the fiscal year as required by R.S. 42:1170. We also observed whether employees/officials had attested to having read the Village's ethics policy during the fiscal year.

Results: The Village did not provide documentation to support the completion of ethics training for one official. That same official had not attested, in writing, to having read the ethics policy.

Recommendation: We recommend management require all employees and officials to complete ethics training annually. The Village should maintain documentation supporting each employee's and official's completion of ethics training. Also, we recommend management require all employees and officials annually attest to having read the Village's ethics policy.

3. **Sexual Harassment**

We selected five employees/officials and assessed documentation to verify that each employee completed at least one hour of sexual harassment training during the fiscal year as required by R.S. 42:343. We also observed whether the policies and procedures were prominently posted in the Village's office. Finally, we requested a copy of the Village's annual report on sexual harassment to assess whether it met statutory requirements.

Results: The Village did not provide documentation to support the completion of sexual harassment training for one official.

Recommendations: We recommend management require all employees and officials to complete sexual harassment training annually and provide the Village documentation of training completion.

Under R.S. 24:513, this report is a public document, and it has been distributed to appropriate public officials.

Respectfully submitted,



Michael J. "Mike" Waguespack, CPA
Legislative Auditor

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APPENDIX A: MANAGEMENT'S RESPONSE

Village of Sun



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Will Talley - Mayor
Brian Blackwell - Mayor Pro Tempore
Wayne Hall - Alderman
Scott Meiners - Alderman
Sara Hathorne - Clerk
Tina Pierce - Financial Administrator
Darren Blackmon - Chief of Police

December 22, 2021

To Whom it May Concern,

In response to our recent Audit Results, we have already begun implementing a plan to bring us into compliance with all of the defects that were listed. We appreciate the Auditor's findings and are continuing to endeavor to be in complete compliance.

Thank you,

Will Talley, Mayor