
**ASCENSION PARISH COMMUNICATIONS
DISTRICT**

FINANCIAL REPORT

DECEMBER 31, 2018

ASCENSION PARISH COMMUNICATIONS DISTRICT

FINANCIAL REPORT

DECEMBER 31, 2018

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INDEPENDENT AUDITORS' REPORT

To the Members of the Board of Commissioners
Ascension Parish Communications District
Gonzales, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of the Ascension Parish Communications District (the District), a component unit of the Ascension Parish Council, as of and for the year then ended, December 31, 2018, and the related notes to the financial statement, 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.

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 and the standards applicable to financial statements contained in *Governmental 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 error or fraud. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the District, as of December 31, 2018, and the respective changes in financial position, thereof for the year then ended in conformity 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 management's discussion and analysis and budgetary comparison schedule on pages 4 through 9, and page 23, respectively, 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 assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

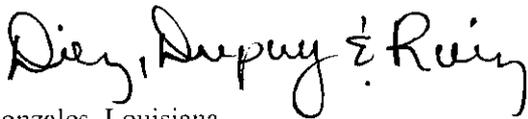
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The schedule of compensation, benefits, and other payments to agency head or chief executive officer is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of compensation, benefits, and other payments to agency head or chief executive officer is the responsibility of management and were derived from and relate 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 schedule of compensation, benefits and other payments to agency head or chief executive officer is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2019, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 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 District's internal control over financial reporting and compliance.



Gonzales, Louisiana
June 30, 2019

ASCENSION PARISH COMMUNICATIONS DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2018

This section of District's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on December 31, 2018. This MD&A should be read in conjunction with the District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The District's total net position decreased by \$30,546 over the course of the year's operations.
- During the year, the District's expenses were \$30,546 more than the \$2,021,752 generated in revenues.
- The District's general fund balance increased \$194,370 to \$1,435,439 at the completion of the year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts-management's discussion and analysis (this section), the basic financial statements, required supplementary information, and other supplemental information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District's government, reporting the District's operations in more detail than the government-wide statements.
- The governmental fund statements tell how general government services like public safety were financed in the short term as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another.

Figure A-1 summarizes the major features of the District's financial statements, including the portion of the District's government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure of contents of each of the statements.

ASCENSION PARISH COMMUNICATIONS DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2018

Figure A-1
Major Features of District's Government-Wide and Fund Financial Statements

	Government-wide Statements	Governmental Fund
Scope	Entire District Government	The activities of the District
Required financial statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance Sheet • Statement of revenues, expenditures, and changes in fund balance
Accounting basis and measurements focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payments are due during the year or soon thereafter

ASCENSION PARISH COMMUNICATIONS DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2018

Government-wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how they have changed. Net position, the difference between the District's assets and liabilities, is one way to measure the District's financial health, or position.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District, you need to consider additional nonfinancial factors such as changes in the District's telephone customer base.

The government-wide financial statements of the District are divided into one categories:

- Governmental activities-most of the District's basic services are included here. Fees, charges, and interest finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant fund- not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.

The District has one kind of fund:

- Governmental fund-All the District's basic services are included in a governmental fund, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.

ASCENSION PARISH COMMUNICATIONS DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2018

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net position. The District's net position remained relatively consistent between fiscal years 2018 and 2017 (See Table A-1.)

Table A-1
District's Net Position
Governmental Activities

	2018	2017
Current and other assets	\$ 2,018,866	\$ 1,925,674
Capital assets, net	906,199	1,089,171
Total assets	2,925,065	3,014,845
Current liabilities	486,334	416,233
Long term liabilities	273,243	402,578
Total liabilities	759,577	818,811
Net position		
Net investment in capital assets	632,956	686,593
Unrestricted	1,532,532	1,509,441
Total net position	\$ 2,165,488	\$ 2,196,034

Net position of the District's governmental activities decreased \$30,546. There was also a net decrease in capital assets of approximately \$183,000. The District purchased approximately \$91,500 in new software in 2018.

Changes in net position. The District's total revenues for all programs were \$2,021,752 at year end (See Table A-2.) Approximately 96 percent of the District's revenue comes from commissions on telephone bills.

The total cost of all programs and services were \$2,052,298. The District's expenses cover all services performed by its office.

ASCENSION PARISH COMMUNICATIONS DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2018

Governmental Activities

Revenues for the District's governmental activities increased 11 percent and total expenses increased 21 percent.

Table A-2
Changes in District's Net Position

	Governmental Activities	
	2018	2017
Revenues		
Program revenues		
Charges for services	\$ 1,933,026	\$ 1,736,272
General revenues		
Interest	795	2,001
Intergovernmental	66,135	66,135
LSA Reimbursement	18,213	19,518
Other	3,583	1,014
Total revenues	2,021,752	1,824,940
Expenses		
General government	2,037,362	1,675,594
Interest on long term debt	14,936	19,562
Total expenses	2,052,298	1,695,156
Increase (decrease) in net position	\$ (30,546)	\$ 129,784

- The cost of all governmental activities this year increased by approximately 21 percent to \$2,052,298.

FINANCIAL ANALYSIS OF THE FUNDS

As the District completed the year, its general fund reported a fund balance of \$1,435,439, an increase from last year of \$194,370.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the Board revised the General Fund budget. The budget amendments are as follows:

- Sheriff's compensation increased \$220,000
- Maintenance decreased \$200,000
- Capital outlay increased \$50,000
- Telephone decreased \$50,000
- Wireless revenue increased \$15,000

ASCENSION PARISH COMMUNICATIONS DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2018

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2018, the District had invested \$906,199 in net capital assets. (See Table A-3)

Table A-3
District's Capital Assets
(net of depreciation)

	Governmental Activities	
	2018	2017
Improvements	\$ 422,849	\$ 422,849
Equipment, furniture & fixtures	3,216,741	3,125,226
Accumulated Depreciation	(2,733,391)	(2,458,904)
Net Capital Assets	\$ 906,199	\$ 1,089,171

During the year, the District purchased new software to upgrade and enhance the communication functions throughout Ascension Parish totaling \$91,515.

Long-term debt

The District has a capital lease with Motorola to finance the purchase of equipment. The total debt outstanding as of December 31, 2018 was \$273,243.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The District is dependent on commissions on telephone bills for approximately 96 percent of its revenues. The economy is not expected to generate any significant growth. Therefore, the District's future revenues are expected to be consistent with the current years. The budget for the 2019 year has no significant changes from the year 2018's budget.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Bobby Webre, Sheriff, Post Office Box 1238, Gonzales, La 70707-1238.

ASCENSION PARISH COMMUNICATIONS DISTRICT

STATEMENT OF NET POSITION

DECEMBER 31, 2018

ASSETS

Cash and cash equivalents	\$ 1,054,133
Certificates of deposit	479,539
Receivables	388,101
Prepaid expenses	97,093
Capital assets, net of accumulated depreciation	<u>906,199</u>
 TOTAL ASSETS	 <u>2,925,065</u>

LIABILITIES

Accounts payable	486,334
Long-term liabilities	
Due within one year	134,133
Due in more than one year	<u>139,110</u>
 TOTAL LIABILITIES	 <u>759,577</u>

NET POSITION

Net investment in capital assets	632,956
Unrestricted	<u>1,532,532</u>
 TOTAL NET POSITION	 <u>\$ 2,165,488</u>

The accompanying notes are an integral part of this financial statement.

ASCENSION PARISH COMMUNICATIONS DISTRICT

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Expenses</u>	<u>Program Revenues</u> <u>Charges for</u> <u>Service</u>	<u>Net (Expense)</u> <u>Revenue and</u> <u>Changes in</u> <u>Net Position</u> <u>Governmental</u> <u>Unit</u>
<u>FUNCTIONS/PROGRAMS</u>			
Governmental activities:			
General government	\$ 2,037,362	\$ 1,933,026	\$ (104,336)
Interest on long-term debt	14,936	-	(14,936)
 Total governmental activities	 <u>\$ 2,052,298</u>	 <u>\$ 1,933,026</u>	 <u>(119,272)</u>
General Revenues:			
Interest			795
Intergovernmental			66,135
Other			3,583
LSA Reimbursement			18,213
 Total general revenues			 <u>88,726</u>
 Change in net position			 (30,546)
 Net position - January 1, 2018			 <u>2,196,034</u>
 Net position - December 31, 2018			 <u>\$ 2,165,488</u>

The accompanying notes are an integral part of this financial statement.

ASCENSION PARISH COMMUNICATIONS DISTRICT

BALANCE SHEET
GOVERNMENTAL FUND
DECEMBER 31, 2018

ASSETS

	<u>General Fund</u>
Cash and cash equivalents	\$ 1,054,133
Certificates of deposit	479,539
Accounts receivable	386,768
Accrued interest receivable	<u>1,333</u>
Total assets	<u><u>\$ 1,921,773</u></u>

LIABILITIES AND FUND BALANCE

Liabilities	
Accounts payable	<u>\$ 486,334</u>
Fund balance	
Unassigned	<u>1,435,439</u>
Total fund balance	<u>1,435,439</u>
Total liabilities and fund balance	<u><u>\$ 1,921,773</u></u>

The accompanying notes are an integral part of this financial statement.

ASCENSION PARISH COMMUNICATIONS DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2018

Total fund balances - Governmental Fund		\$ 1,435,439
Prepaid expenses		97,093
Cost of capital asset at December 31, 2018	3,639,590	
Less: accumulated depreciation as of December 31, 2018	<u>(2,733,391)</u>	906,199
Long-term liabilities at December 31, 2018		
Capital lease payable		<u>(273,243)</u>
Total net position at December 31, 2018 - Governmental Activities		<u>\$ 2,165,488</u>

The accompanying notes are an integral part of this financial statement.

ASCENSION PARISH COMMUNICATION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
YEAR ENDED DECEMBER 31, 2018

	<u>General Fund</u>
<u>REVENUES</u>	
Fees and charges - wireline	\$ 357,180
Fees and charges - wireless	1,575,846
Intergovernmental	66,135
LSA reimbursement	18,213
Other income	3,583
Interest income	795
	2,021,752
Total Revenues	2,021,752
<u>EXPENDITURES</u>	
Current:	
General Government	
Telephone	65,394
Professional fees	29,895
General	215
Insurance	124,915
Maintenance	46,035
Reimbursed expenses to Sheriff	1,290,468
Tower links	25,211
Training	9,463
Capital outlay	91,515
Debt Service	
Principal	129,335
Interest	14,936
	1,827,382
Total Expenditures	1,827,382
Excess of revenues over expenditures	194,370
Fund balance, beginning of year	1,241,069
Fund balance, end of year	\$ 1,435,439

The accompanying notes are an integral part of this financial statement.

ASCENSION PARISH COMMUNICATIONS DISTRICT
RECONCILIATION TO THE GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
DECEMBER 31, 2018

Excess of Revenues over Expenditures		\$ 194,370
Change in Prepaid expenses		(171,279)
Capital Assets:		
Capital outlay capitalized	91,515	
Depreciation expense for year ended December 31, 2018	<u>(274,487)</u>	(182,972)
Long-Term Debt:		
Principal portion of capital lease note		<u>129,335</u>
Change in Net Position - Governmental Activities		<u>\$ (30,546)</u>

The accompanying notes are an integral part of this financial statement.

ASCENSION PARISH COMMUNICATIONS DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Louisiana Revised Statutes 33:9101 – 9106, the Ascension Parish Communications District (the District) was created to provide emergency communications to the residents of Ascension Parish. The District was created by the Ascension Parish Council, who in turn appoints a Board to manage the affairs of the District. The Board appoints a Director to function as the manager. Each member serves on a voluntary basis. The District serves approximately 123,000 residents and a geographic area of approximately 303 square miles. There currently are no employees and the Ascension Parish Sheriff serves as the director on a voluntary basis.

The accounting and reporting policies of the District conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

A. Reporting Entity

As the governing authority of the parish, for reporting purposes, the Ascension Parish Council is the financial reporting entity for Ascension Parish. The financial reporting entity consists of (a) the primary government (council), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

GASB Codification Section 2100, established criteria for determining which component units should be considered part of the Ascension Parish Council for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the municipality to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the council.
2. Organizations for which the council does not appoint a voting majority but are fiscally dependent on the council.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the Council appoints all members to the District's Board of Commissioners, the District is a component unit of the Ascension Parish Council, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the council, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

ASCENSION PARISH COMMUNICATIONS DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation, Basis of Accounting

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government (the District). These statements include the financial activities of the overall government, except for fiduciary activities. Governmental activities generally are financed through charges for services, intergovernmental revenues, and other nonexchange transactions.

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

Fund Financial Statements: The fund financial statements provide information about the District's fund. Separate statements for each fund category are presented. The emphasis of fund financial statements is on the major governmental fund.

The District reports the following major governmental fund:

- a. General Fund - The General Fund is the District'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 General Fund was established in compliance with Louisiana Revised Statute 33:9106, which provides that a percentage of the telephone bills collected throughout the parish be transmitted to the District to defray its expenditures.

C. Measurement Focus, Basis of Accounting

Government-wide Financial Statements. The government-wide financial statements are reported using the economic resources measurement focus, and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

ASCENSION PARISH COMMUNICATIONS DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus, Basis of Accounting (continued)

Governmental Fund Financial Statements. The governmental fund is reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Interest is susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds

D. Budgetary Practices

The proposed budgets for fiscal year 2018 were completed and made available for the public inspection. A public hearing was held for suggestions and comments from taxpayers. The proposed fiscal year 2018 budgets were formally adopted by the District after the public hearing. The budget, which included proposed expenditures and the means of financing them, for the General Fund, was published in the official journal ten days prior to the public hearings. The budget for the General Fund was prepared on the modified accrual basis of accounting. All appropriations lapse at year end.

When actual revenues within a fund are failing to meet estimated annual budgeted revenues by five percent or more, and/or actual expenditures are exceeding estimated budgeted expenditures by five percent or more, the budget should be amended to reflect such changes and adopted by the District in an open meeting. Budgeted amounts included in the financial statements include the original adopted budget, or as amended by the Communication District.

E. Cash and cash equivalents

Cash and cash equivalents include demand deposits, interest-bearing demand deposit accounts, and certificates of deposit. The District considers all cash accounts and certificates of deposit with a maturity of three months or less when purchased to be cash and cash equivalents.

F. Capital Assets

All capital assets are capitalized at historical cost, or estimated historical costs for assets where actual cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$500 or more for capitalizing capital assets.

Capital assets are recorded in the government-wide financial statements, but are not reported in the fund financial statements. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets are depreciated using the straight-line method over their estimated useful lives. Useful lives vary from 5 to 25 years.

ASCENSION PARISH COMMUNICATIONS DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Use of 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

H. Net Position

For the government-wide statement of net position, equity is divided into three components:

- Net investments in capital assets-consist of historical costs of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.
- Restricted net position-consists of assets that are restricted by the District's grantors (both federal and state)
- Unrestricted-all other net position is reported in this category

I. Fund Equity of Fund Financial Statements

Accounting standards require governmental fund balances to be reported in as many as five classifications as listed below:

Nonspendable- represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted- represents balances where constraints have been established by parties outside the District or imposed by law through constitutional provisions or enabling legislation.

Committed- represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority.

Assigned- represents balances that are constrained by the government's intent to be used for specific purposes, but are not restricted or committed.

Unassigned- represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund.

When expenditures are incurred for the purposes for which both restricted and unrestricted amounts are available, the District reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for purposes for which committed, assigned and unassigned amounts are available, the District reduces committed amounts first, followed by assigned amounts and then unassigned amounts.

ASCENSION PARISH COMMUNICATIONS DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

2. CASH AND CASH EQUIVALENTS

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 certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

3. CERTIFICATES OF DEPOSIT

The District holds certificates of deposits at a financial institution. The certificates of deposit have maturities of 6 months. The District's certificates of deposit have a book value of \$479,539 as of December 31, 2018. These deposits are stated at cost, which approximates market. Under state law, these deposits (or resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank.

4. CUSTODIAL CREDIT RISK

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District does not have a deposit policy for custodial risk. As of December 31, 2018, these deposits were completely collateralized and/or insured.

5. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2018, are as follows:

	<u>Improvements</u>	<u>Equipment, Furniture & Fixtures</u>	<u>Total</u>
Cost of Capital Assets, December 31, 2017	\$ 422,849	\$ 3,125,226	\$ 3,548,075
Additions	-	91,515	91,515
Deletions	-	-	-
Cost of Capital Assets, December 31, 2018	<u>422,849</u>	<u>3,216,741</u>	<u>3,639,590</u>
Accumulated depreciation, December 31, 2017	422,849	2,036,055	2,458,904
Additions	-	274,487	274,487
Deletions	-	-	-
Accumulated depreciation, December 31, 2018	<u>422,849</u>	<u>2,733,391</u>	<u>2,733,391</u>
Capital assets, net of accumulated depreciation at December 31, 2018	<u>\$ -</u>	<u>\$ 906,199</u>	<u>\$ 906,199</u>

For the year ended December 31, 2018, depreciation expense was \$274,487.

ASCENSION PARISH COMMUNICATIONS DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

6. LONG-TERM DEBT

The following is a summary of the changes in general long-term debt for the year ended:

	Balance December 31, 2017	Additions	Deletions	Balance December 31, 2018
Capital Lease Obligation	\$ 402,578	\$ -	\$ 129,335	\$ 273,243

7. LEASES

The District records items under capital leases as assets and obligations in the accompanying financial statements. The District had one capital lease in 2018. The lease payments relating to the item has been capitalized and included in capital assets on the accompanying government-wide financial statements. The leased asset has a cost of \$1,187,243, and amortization expense, which is included with depreciation expense, recognized on the lease as of December 31, 2018 was \$160,124.

The following is a summary of the future minimum lease payments under the capital lease and the present value of the net minimum lease payments as of December 31, 2018.

Year Ending December 31	Future minimum lease payments	Interest Payments	Present value of net minimum lease payments
2019	\$ 144,271	\$ 10,137	\$ 134,133
2020	144,271	5,162	139,110
Total	\$ 288,542	\$ 15,299	\$ 273,243

8. INTERGOVERNMENTAL AGREEMENT

The District has an intergovernmental agreement with the Ascension Parish Sheriff's Office. The Sheriff provides for the housing, maintenance, operation, and staffing of the Ascension Parish 911 Center. The amount paid to the Sheriff's office is 75% of the annual net income defined as all recurring revenues of the District less recurring expenditures without regard to capital outlay and the fees to the Sheriff, with the understanding that the District is guaranteed at least \$100,000 of the annual net income. The fees are payable at the end of each quarter during the term of this agreement. The District has a payable due to the Sheriff's office in the amount of \$372,146 at December 31, 2018.

ASCENSION PARISH COMMUNICATIONS DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

8. INTERGOVERNMENTAL AGREEMENT (continued)

The District has an intergovernmental agreement with the Parishes of St. James, St. John, and other governmental entities within Ascension Parish. The District owns and operates a two-way radio communications system (i.e. "Master Site"). The agreements were initiated due to the various entities having reached an "end of support" for availability of parts. Thus, connecting their radio coverage for day-to-day operations as well as in times of disaster. Each governmental entity shall incur costs for its fair share of maintenance of the Master Site, with said costs being calculated according to the pro rata share of radios owned and utilized by each applicable entity. In addition to the prorated maintenance cost, a five percent (5%) administrative fee is assessed. These fees are payable to the District at the end of each quarter during the term of this agreement. The District has a receivable due from each entity in the amount of \$24,451 at December 31, 2018.

9. STATUS OF IMPLEMENTATION OF WIRELESS E911 SERVICE

The District completed phase one and two implementation with all wireless companies during 2006.

10. SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 30, 2019, and determined that no events occurred that require disclosure. No events occurring after this date have been evaluated for inclusion in these financial statements.

ASCENSION PARISH COMMUNICATION DISTRICT

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Original</u>	<u>Final</u>	<u>Actual</u>
<u>REVENUES</u>			
Fees and charges - wireline	\$ 364,000	\$ 364,000	\$ 357,180
Fees and charges - wireless	1,464,000	1,479,000	1,575,846
Intergovernmental	62,500	62,500	66,135
LSA reimbursement	16,000	16,000	18,213
Other income	-	-	3,583
Interest income	850	850	795
Total Revenues	<u>1,907,350</u>	<u>1,922,350</u>	<u>2,021,752</u>
<u>EXPENDITURES</u>			
Operating expense			
Telephone	140,000	90,000	65,394
Professional fees	30,000	30,000	29,895
General	5,000	5,000	215
Insurance	145,000	145,000	124,915
Maintenance	300,000	100,000	46,035
Reimbursed fees to sheriff	950,000	1,170,000	1,290,468
Tower links	24,300	24,300	25,211
Training	20,000	20,000	9,463
Capital Outlay	55,729	105,729	91,515
Capital lease principal	129,335	129,335	129,335
Interest	14,936	14,936	14,936
Total Expenditures	<u>1,644,300</u>	<u>1,714,300</u>	<u>1,732,093</u>
Excess of revenues over Expenditures	263,050	208,050	289,659
Fund balance, beginning of year	<u>1,094,403</u>	<u>1,240,000</u>	<u>1,241,069</u>
Fund balance, end of year	<u>\$ 1,357,453</u>	<u>\$ 1,448,050</u>	<u>\$ 1,530,728</u>

ASCENSION PARISH COMMUNICATIONS DISTRICT

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
DECEMBER 31, 2018

Agency Head Name/Title : Jeffery Wiley, Chairman of Board

Purpose	Amount
Salary	0
Benefits - insurance	0
Benefits - retirement	0
Car allowance	0
Vehicle provided by government	0
Per diem	0
Reimbursements	0
Travel	0
Registration fees	0
Conference travel	0
Continuing professional education fees	0
Housing	0
Un-vouchered expenses	0
Special meals	0

OTHER REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS

ASCENSION PARISH COMMUNICATIONS DISTRICT

SCHEDULE OF FINDINGS AND RESPONSES

YEAR ENDED DECEMBER 31, 2018

A. SUMMARY OF AUDIT RESULTS

1. The independent auditor's report expresses an unmodified opinion on whether the financial statements of Ascension Parish Communications District were prepared in accordance with GAAP.
2. No significant deficiencies relating to the audit of the financial statements are reported in the 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 *Governmental Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Ascension Parish Communications District, which would be required to be reported in accordance with *Governmental Auditing Standards*, were disclosed during the audit.

B. FINDINGS - FINANCIAL STATEMENT AUDIT

None noted

C. FINDINGS - NONCOMPLIANCE WITH STATE LAWS AND REGULATIONS

None noted

ASCENSION PARISH COMMUNICATIONS DISTRICT

SCHEDULE OF PRIOR YEAR FINDINGS

YEAR ENDED DECEMBER 31, 2018

A. FINDINGS - FINANCIAL STATEMENT AUDIT

None noted

B. FINDINGS – NON COMPLIANCE WITH STATE LAWS AND REGULATIONS

None noted



**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**

Members of the Board of Commissions
Ascension Parish Communications District
Gonzales, 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 of the United States, the financial statements of the governmental activities and the major fund information of the Ascension Parish Communications District, a component unit of the Ascension Parish Council, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise Ascension Parish Communications District's basic financial statements and have issued our report thereon dated June 30, 2019.

Internal Control Over Financial Reporting

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

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

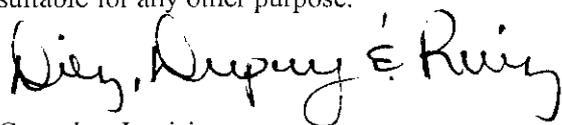
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not 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 Ascension Parish Communications District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our test disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is 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.

A handwritten signature in black ink, appearing to read "Dey, Dupuy & Ruiz".

Gonzales, Louisiana
June 30, 2019

**ASCENSION PARISH COMMUNICATIONS
DISTRICT**

STATEWIDE AGREED UPON PROCEDURES

DECEMBER 31, 2018



**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Commissioners, and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Ascension Parish Communications District (the District) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2018 through December 31, 2018. The Districts' management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget

Written policies and procedures were obtained and address the functions noted above.
 - 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.

Written policies and procedures were obtained and address the functions noted above.
 - c) ***Disbursements***, including processing, reviewing, and approving

Written policies and procedures were obtained and address the functions noted above.
 - 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).

Written policies and procedures were obtained and address the functions noted above.

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

There are no employees paid by the District; therefore, no policy has been adopted.

- 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.

Written policies and procedures were obtained and address the functions noted above.

- 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)

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

- 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.

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

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.

Obtained and reviewed minutes of the managing board for the fiscal period noting that the board met in accordance with their enabling legislation.

- 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.

Obtained and reviewed minutes of the managing board for the fiscal period noting that the minutes included monthly budget-to-actual comparisons for the major funds.

- 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.

Obtained prior year audit report and observed that the unrestricted fund balance in the general fund did not have a negative ending fund balance.

Bank Reconciliations

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

Obtained listing of client bank accounts for the fiscal period from management and management's representation that listing is complete.

- 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);

No exceptions noted.

- 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

No exceptions noted.

- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

No exceptions noted.

Collections

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

Based on the terms of the Agreed Upon Procedures, we are allowed to rotate procedures in this category since there were no exceptions in Year 1. Management agrees procedures do not need to be performed in this category.

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.

Based on the terms of the Agreed Upon Procedures, we are allowed to rotate procedures in this category since there were no exceptions in Year 1. Management agrees procedures do not need to be performed in this category.

- 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.

Based on the terms of the Agreed Upon Procedures, we are allowed to rotate procedures in this category since there were no exceptions in Year 1. Management agrees procedures do not need to be performed in this category.

- 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.

Based on the terms of the Agreed Upon Procedures, we are allowed to rotate procedures in this category since there were no exceptions in Year 1. Management agrees procedures do not need to be performed in this category.

- 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.

Based on the terms of the Agreed Upon Procedures, we are allowed to rotate procedures in this category since there were no exceptions in Year 1. Management agrees procedures do not need to be performed in this category.

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

Based on the terms of the Agreed Upon Procedures, we are allowed to rotate procedures in this category since there were no exceptions in Year 1. Management agrees procedures do not need to be performed in this category.

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.

Based on the terms of the Agreed Upon Procedures, we are allowed to rotate procedures in this category since there were no exceptions in Year 1. Management agrees procedures do not need to be performed in this category.

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

Based on the terms of the Agreed Upon Procedures, we are allowed to rotate procedures in this category since there were no exceptions in Year 1. Management agrees procedures do not need to be performed in this category.

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

Based on the terms of the Agreed Upon Procedures, we are allowed to rotate procedures in this category since there were no exceptions in Year 1. Management agrees procedures do not need to be performed in this category.

- 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).

Based on the terms of the Agreed Upon Procedures, we are allowed to rotate procedures in this category since there were no exceptions in Year 1. Management agrees procedures do not need to be performed in this category.

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

Based on the terms of the Agreed Upon Procedures, we are allowed to rotate procedures in this category since there were no exceptions in Year 1. Management agrees procedures do not need to be performed in this category.

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).

Obtained listing of locations that process payments and management's representation that listing is complete.

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

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

No exceptions noted.

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

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

No exceptions noted.

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

No exceptions noted.

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.

Based on the terms of the Agreed Upon Procedures, we are allowed to rotate procedures in this category since there were no exceptions in Year 1. Management agrees procedures do not need to be performed in this category.

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.]

Based on the terms of the Agreed Upon Procedures, we are allowed to rotate procedures in this category since there were no exceptions in Year 1. Management agrees procedures do not need to be performed in this category.

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

Based on the terms of the Agreed Upon Procedures, we are allowed to rotate procedures in this category since there were no exceptions in Year 1. Management agrees procedures do not need to be performed in this category.

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).

Based on the terms of the Agreed Upon Procedures, we are allowed to rotate procedures in this category since there were no exceptions in Year 1. Management agrees procedures do not need to be performed in this category.

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:

Obtained listing of all travel and related expense reimbursements, by person, and management's representation that 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).

Not applicable. Reimbursement selected was not based on a per diem rate.

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

No exception noted.

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

No exception noted.

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

No exception noted.

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. *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:

Based on the terms of the Agreed Upon Procedures, we are allowed to rotate procedures in this category since there were no exceptions in Year 1. Management agrees procedures do not need to be performed in this category.

- 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.

Based on the terms of the Agreed Upon Procedures, we are allowed to rotate procedures in this category since there were no exceptions in Year 1. Management agrees procedures do not need to be performed in this category.

- 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).

Based on the terms of the Agreed Upon Procedures, we are allowed to rotate procedures in this category since there were no exceptions in Year 1. Management agrees procedures do not need to be performed in this category.

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

Based on the terms of the Agreed Upon Procedures, we are allowed to rotate procedures in this category since there were no exceptions in Year 1. Management agrees procedures do not need to be performed in this category.

- 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.

Based on the terms of the Agreed Upon Procedures, we are allowed to rotate procedures in this category since there were no exceptions in Year 1. Management agrees procedures do not need to be performed in this category.

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 agree paid salaries to authorized salaries/pay rates in the personnel files.

Not applicable. Payroll procedures are addressed by the Ascension Parish Sheriff's office as all staff are employed by the Sheriff.

- 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. Payroll procedures are addressed by the Ascension Parish Sheriff's office as all staff are employed by the Sheriff.

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

Not applicable. Payroll procedures are addressed by the Ascension Parish Sheriff's office as all staff are employed by the Sheriff.

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

Not applicable. Payroll procedures are addressed by the Ascension Parish Sheriff's office as all staff are employed by the Sheriff.

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. Payroll procedures are addressed by the Ascension Parish Sheriff's office as all staff are employed by the Sheriff.

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. Payroll procedures are addressed by the Ascension Parish Sheriff's office as all staff are employed by the Sheriff.

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.

Based on the terms of the Agreed Upon Procedures, we are allowed to rotate procedures in this category since there were no exceptions in Year 1. Management agrees procedures do not need to be performed in this category.

- 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.

Based on the terms of the Agreed Upon Procedures, we are allowed to rotate procedures in this category since there were no exceptions in Year 1. Management agrees procedures do not need to be performed in this category.

Debt Service

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.

No debt was issued 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.

The District made the scheduled capital lease payments as required.

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.

Management asserted that the entity 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.

No exceptions noted.

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.



Gonzales, Louisiana
June 30, 2019