

EISNERAMPER

**RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
JUNE 30, 2025**



RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA

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INDEPENDENT AUDITORS' REPORT

Red River Parish Sales & Use Tax Commission
Coushatta, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Red River Parish Sales & Use Tax Commission (the "Commission") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Commission, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison information on pages 4–7 and 23 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.



Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The Schedule of Compensation, Benefits and Other Payments to the Agency Head and the Schedule of Collections, Distributions, and Costs of Collections are presented for purposes of additional analysis and are not a required part of the basic 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. The 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 the Agency Head and the Schedule of Collections, Distributions, and Costs of Collections are 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 December 30, 2025, on our consideration of the Commission'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 Commission'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 Commission's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "EisnerAmper LLP". The signature is written in a cursive, flowing style.

EISNERAMPER LLP
Baton Rouge, Louisiana
December 30, 2025



REQUIRED SUPPLEMENTARY INFORMATION – PART I

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis of the Red River Parish Sales & Use Tax Commission's (the Commission) financial performance presents a narrative overview and analysis of the Commission's financial activities for the year ended June 30, 2025. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the Commission's financial statements, which begin on page 8.

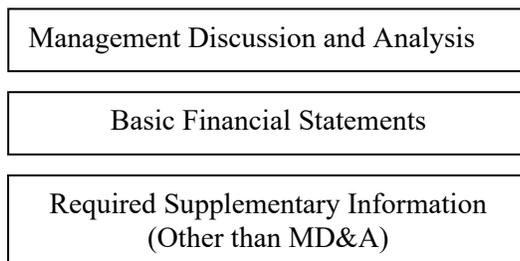
FINANCIAL HIGHLIGHTS

This annual report consists of a series of financial statements. The Government-wide statements provide information about the activities of the Commission as a whole and present a longer-term view of the Commission's finances. These Government-wide statements tell how services were financed in the short-term as well as what remains for future spending. The Governmental Fund Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance places an emphasis on current financial resources. There is only one governmental fund and that is the General Fund.

- The Commission's net position decreased by \$11,553 in the current year compared to a decrease in net position of \$34,691 in the prior year.
- The General Fund reported a reduction in fund balance of \$28,894, reducing fund balance to \$4,621. A larger reduction in the amount of \$19,167 was recognized in the prior year. The reduction is a result of an increase in expenditures of \$42,451 offset by an increase in revenues of \$32,724.
- Total expenditures in the General Fund increased by \$42,451. This is attributed to an increase in employee salary and benefits in relation to the annual raise and the contributions to the 457b plan. Total revenues in the General Fund increased by \$32,724. This is attributed to increased member billings based on current year tax collection activity, and an increase in allocated costs of salary benefits in the General Fund.

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for the Commission as established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments:



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information, and other supplementary information.

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

Basic Financial Statements

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 8 and 9) provide information about the activities of the Commission as a whole and present a longer-term view of the Commission's finances. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Position and the Statement of Activities report the Commission's net position and changes therein. One can think of the Commission's net position, the difference between assets and liabilities, as one way to measure the Commission's financial health, or financial position. Over time, increases or decreases in the Commission's net position is an indicator of whether its financial health is improving or deteriorating.

Fund financial statements start on page 10. The Commission's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short term view of the Commission's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or less financial resources that can be spent in the near future to finance the Commission's activities as well as what remains for future spending.

The Fiduciary Fund financial statements are presented on page 14. Fiduciary funds report assets held for others. The taxes collected by the Commission flow through this fund.

FINANCIAL ANALYSIS OF THE ENTITY

Statement of Net Position
As of Year End

	2025	2024
Current assets	\$ 5,542	\$ 34,696
Noncurrent assets:		
Capital assets, net	2,990	11,715
Total assets	<u>8,532</u>	<u>46,411</u>
Current liabilities	921	1,181
Noncurrent liabilities:	65,639	91,705
Total liabilities	<u>66,560</u>	<u>92,886</u>
Net investment in capital assets	2,990	11,715
Unrestricted net position	(61,018)	(58,190)
Total net position	<u>\$ (58,028)</u>	<u>\$ (46,475)</u>

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

FINANCIAL ANALYSIS OF THE ENTITY (continued)

Net position of the Commission decrease by \$11,553 from the previous fiscal year. (See table below)

Statement of Activities
For the Year Ended

	<u>2025</u>	<u>2024</u>
General revenue	\$ 300	\$ 599
Program revenue	<u>132,042</u>	<u>99,019</u>
Total revenue	132,342	99,618
General government expenses	<u>(143,895)</u>	<u>(134,309)</u>
Change in net position	<u>(11,553)</u>	<u>(34,691)</u>
Net position (beginning)	<u>(46,475)</u>	<u>(11,784)</u>
Net position (ending)	<u><u>(58,028)</u></u>	<u><u>(46,475)</u></u>

Revenues and expenses increased from year to year. The program revenues consist of charges to the taxing authorities to cover the administrative costs for compensation and benefits for the sole employee and other operating costs. These charges are budgeted and approved by the Commission and fluctuate very little. However, the Commission periodically assesses these changes for adequacy. In the current year, program revenues increased by approximately \$33,000 or 33%, and expenses increased by approximately \$10,000 or 7%. The increase in revenue was due to increase member billings based on an increase in allocated costs and current year collection activity. The increase in expenses is the result of increased salary and benefit expenses as well as other administrative costs.

Capital Assets

At June 30, 2025, the Commission had \$2,990, net of depreciation, invested in capital assets (see table below). This amount represents a net decrease of \$8,725, including depreciation.

Capital Assets at Year End
(Net of Depreciation)

	<u>2025</u>	<u>2024</u>
Furniture, fixtures and equipment	<u>\$ 2,990</u>	<u>\$ 11,715</u>
Total	<u><u>\$ 2,990</u></u>	<u><u>\$ 11,715</u></u>

The decrease is due to depreciation of \$8,725 in the current year.

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

FINANCIAL ANALYSIS OF THE ENTITY (continued)

Long-Term Liabilities

The Commission's only long-term liability (including the current portion of long-term liabilities) consists of its compensated absence payable. The Commission had \$65,639 in compensated absences payable at year end compared to \$91,705 at the previous year end, a decrease of approximately \$26,000 or 28%. The policy of the Commission is to allow employees to carry over to the next year any unused compensated absences. The decrease is the result of the transfer of unused compensated absences to the 457B Retirement Plan established in prior year.

TAX COLLECTIONS AND DISTRIBUTIONS

Sales and use tax collections, including protested taxes collected and interest on late payments, for the years ended June 30, 2025 and 2024 amounted to \$16,266,040 and \$20,618,777, respectively. Distributions of these taxes to appropriate governmental jurisdictions within Red River Parish during the same period of time amounted to \$15,930,142 and \$20,487,750, respectively. Collections and distributions during the same fiscal year differ because of collection costs and the resolution of disputes affecting distributions usually occur in periods after the respective taxes were collected.

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

The Commission's budget was amended during the year to better reflect the results of operations. Both revenues and expenses were adjusted to reflect anticipated increases in personnel services and benefits costs.

Actual revenues and expenditures reflected minor differences from the final amended budget.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Commission's appointed officials considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- 1) Intergovernmental revenues (based on personnel and operating expenses)
- 2) Interest income
- 3) Miscellaneous income

The Commission does not expect any significant changes in next year's results as compared to the current year.

CONTACTING THE RED RIVER PARISH SALES & USE TAX COMMISSION'S MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Commission's finances and to show the Commission's accountability for the money it receives. Any questions about this report or requests for additional information may be directed to the Red River Parish Sales & Use Tax Commission, Attention: Elaine Moore, Administrator, at Post Office Box 570, Coushatta, Louisiana 71019.

BASIC FINANCIAL STATEMENTS

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA

STATEMENT OF NET POSITION
JUNE 30, 2025

	<u>GOVERNMENTAL ACTIVITIES</u>
<u>ASSETS</u>	
Current Assets:	
Cash and cash equivalents	\$ 2,808
Accounts receivable	2,734
	<hr/>
Total current assets	5,542
	<hr/>
Noncurrent Assets:	
Capital assets, net	2,990
	<hr/>
Total assets	8,532
	<hr/>
<u>LIABILITIES</u>	
Current Liabilities:	
Accounts payable and accruals	921
Long-term Liabilities:	
Due within one year	
Compensated absences payable	37,629
Long-term liabilities, net of current portion	
Compensated absences payable	28,010
	<hr/>
Total long-term liabilities	65,639
	<hr/>
Total liabilities	66,560
	<hr/>
<u>NET POSITION</u>	
Net investment in capital assets	2,990
Unrestricted	(61,018)
	<hr/>
Total net position	\$ (58,028)
	<hr/> <hr/>

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

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

	<u>Expenses</u>	<u>Program Revenues Charges for Services</u>	<u>Net Expense and Changes in Net Position</u>
<u>Functions/Programs</u>			
Governmental activities			
General government	\$ 143,895	\$ 132,042	\$ (11,853)
Total governmental activities	<u>\$ 143,895</u>	<u>\$ 132,042</u>	<u>(11,853)</u>
General Revenues:			
Interest income			<u>300</u>
Total general revenues			<u>300</u>
Change in net position			(11,553)
Net position, beginning of year			<u>(46,475)</u>
Net position, end of year			<u>\$ (58,028)</u>

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

RED RIVER PARISH SALES AND USE TAX COMMISSION
COUSHATTA, LOUISIANA

GOVERNMENTAL FUND
BALANCE SHEET
JUNE 30, 2025

	<u>GENERAL FUND</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 2,808
Accounts receivable	<u>2,734</u>
Total assets	<u>\$ 5,542</u>
<u>LIABILITIES</u>	
Accounts payable and accruals	<u>\$ 921</u>
Total liabilities	<u>921</u>
<u>FUND BALANCES</u>	
Unassigned	<u>4,621</u>
Total fund balances	<u>4,621</u>
Total liabilities and fund balances	<u>\$ 5,542</u>

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

RED RIVER PARISH SALES AND USE TAX COMMISSION
COUSHATTA, LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2025

Total fund balances - Governmental Fund		\$	4,621
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and therefore, not reported in the fund assets.			
Cost of capital assets at June 30, 2025	\$	28,436	
Less: Accumulated Depreciation as of June 30, 2025		<u>(25,446)</u>	2,990
Long-term liabilities, including compensated absences payable, are not due and payable in the current period and therefore are not reported in the fund liabilities			<u>(65,639)</u>
Total net position - Governmental Activities		\$	<u><u>(58,028)</u></u>

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

RED RIVER PARISH SALES AND USE TAX COMMISSION
COUSHATTA, LOUISIANA

GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2025

	<u>GENERAL FUND</u>
<u>REVENUES</u>	
Program revenues	\$ 132,042
Interest income	300
Total revenues	<u>132,342</u>
<u>EXPENDITURES</u>	
General Government:	
Employee salary and benefits	123,977
Travel	407
Operating services	12,689
Supplies	1,220
Professional services	22,943
Total expenditures	<u>161,236</u>
<u>CHANGE IN FUND BALANCE</u>	<u>(28,894)</u>
Fund balance - beginning of year	<u>33,515</u>
Fund balance - end of year	<u>\$ 4,621</u>

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

RED RIVER PARISH SALES AND USE TAX COMMISSION
COUSHATTA, LOUISIANA

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE OF
GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

Net change in fund balance - Governmental Fund \$ (28,894)

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

Governmental funds report capital asset purchases 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.

Depreciation expense for the year (8,725)

Compensated absences accrued in deficit of amounts paid. 26,066

Change in net position - Governmental Activities \$ (11,553)

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

RED RIVER PARISH SALES AND USE TAX COMMISSION
COUSHATTA, LOUISIANA

STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2025

	<u>CUSTODIAL FUND</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 65,547
Escrowed cash	11,215
Taxes receivable	<u>1,581,096</u>
Total assets	<u>1,657,858</u>
<u>LIABILITIES</u>	
Due to other governments	1,581,096
Due to others	<u>65,547</u>
Total liabilities	<u>1,646,643</u>
<u>NET POSITION</u>	
Restricted for individuals and other governments	<u><u>\$ 11,215</u></u>

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

RED RIVER PARISH SALES AND USE TAX COMMISSION
COUSHATTA, LOUISIANA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2025

	<u>CUSTODIAL</u> <u>FUND</u>
<u>ADDITIONS</u>	
Sales tax collections	\$ 16,264,839
Interest	1,201
Total additions	<u>16,266,040</u>
<u>DEDUCTIONS</u>	
Distributions to taxing bodies	15,930,142
Tax refunds and settlement	218,235
Returned payments	10,431
Sales tax collection audit fees	107,208
Total deductions	<u>16,266,016</u>
Net changes in fiduciary net position	24
<u>NET POSITION</u>	
Net position - beginning	11,191
Net position - ending	<u><u>\$ 11,215</u></u>

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

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided in Article VII, Section 3 of the Louisiana Constitution of 1974, the Red River Parish Sales and Use Tax Commission (Commission) serves as the collector of sales and use taxes for Red River Parish. The Commission is comprised of five members, one each selected from the Red River Parish School Board, Red River Parish Police Jury, Red River Parish Sheriff's Office, the Town of Coushatta, and the Village of Hall Summit, in accordance with a joint agreement of the agencies. The Commissioners serve for indefinite terms and without benefit of compensation.

Basis of Presentation

The accompanying financial statements of the Commission have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

For financial reporting purposes, the Commission's basic financial statements include all funds that are controlled by the Commission. The Commission was created and organized as an independent agency for the collection of sales and use taxes, is not considered to be a component unit of any other entity and has no component units as defined in GASB codification Section 2100.

Fund Accounting

The Commission uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain commission functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Governmental Funds

Governmental funds account for most of the Commission's governmental activities. These funds focus on the sources, uses, and balances of current financial resources. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the Commission. The following are the Commission's governmental funds:

General Fund

The General Fund is the operating fund of the Commission and it's considered to be the Commission's only major fund. It is used to account for all financial resources except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to Commission's policy.

Fiduciary Fund

Fiduciary fund reporting focuses on resources held for other parties. The only fund accounted for in this category by the Commission is a custodial fund. The custodial fund is used to account for assets held by the Commission in a custodial capacity or as an agent for the taxing authorities. Collections of sales taxes are recognized when received and expenditures are recognized when the related fund liability is incurred, regardless of when the related cash flow takes place. The custodial fund uses the full accrual basis of accounting.

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Accounting / Measurement Focus

Government-wide financial statements (GWFS)

The statement of net position and the statement of activities display information about the primary government (the Commission). These statements include the financial activities of the overall government, except for fiduciary activities. Governmental activities are generally financed through service charges to the taxing districts receiving tax distributions and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Commission'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. Program revenues include fees for the collection of taxes. Revenues that are not associated as program revenues, including interest revenue presented as general revenues.

The GWFS and fiduciary fund statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Commission gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Exchange transactions, in which the Commission gives (or receives) value in exchange for services rendered, consist of the charges for collection services which are recognized when services are provided and revenue is earned.

Fund Financial Statements (FFS)

The fund financial statements provide information about the Commission's General Fund. Separate statements for each fund category are presented. The emphasis of fund financial statements is on the major fund, which is the General Fund.

The amounts reflected in the General Fund are accounted for using the 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 net fund balance reports on the sources (i.e., revenues and other financing resources) 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 Commission operations.

The Commission considers all revenues reported in the governmental fund to be available if the revenues are collected within sixty days after year-end. Interest is considered to be 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 the governmental fund.

Budgetary Accounting

Formal budgetary accounting is employed as a management control. The Commission prepares and adopts a budget prior to July 1 of each year for its General Fund in accordance with Louisiana Revised Statutes. The operating budget is prepared based on prior year's revenues and expenditures and the estimated increase therein for the current year, using the modified accrual basis of accounting. The Commission amends its budget when projected revenues are expected to be less than budgeted revenues by five percent or more and/or projected expenditures are expected to be more than budgeted amounts by five percent or more. All budget appropriations lapse at year end.

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Receivables

All receivables are reported at their gross value and, where applicable, are reduced by the estimated portion that is expected to be uncollectible.

Bad Debts

Uncollectible accounts receivable are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncertainty associated with the collectability of the particular receivable. At June 30, 2025, all receivables are deemed collectible.

Capital Assets

Capital assets are carried at historical cost. Depreciation of all exhaustible capital assets used by the Commission is charged as an expense against operations in the statement of activities. Capital assets, net of accumulated depreciation, are reported on the statement of net position. Depreciation is computed using the straight line method over the estimated useful life of the assets, generally 20 to 40 years for buildings and building improvements and 5 to 10 years for moveable property. Expenditures for maintenance, repairs and minor renewals are charged to earnings as incurred. Major expenditures for renewals and betterments are capitalized. The Commission maintains a threshold level of \$1,000 or more for capitalizing assets.

Compensated Absences

The Commission's single employee earns annual and sick leave at various rates depending on the number of years in service. The amount of annual and sick leave that may be accumulated by the employee is unlimited. Upon termination, the employee is compensated for all of their unused annual and sick leave at the employee's hourly rate of pay at the time of termination. The recorded liability has been valued based on the current rate of the pay of this employee.

GASB Statement No. 101, Compensated Absences, requires accrual of a liability for compensated absences that has not been used if all of the following are true:

1. The leave is attributable to services already rendered.
2. The leave accumulates.
3. The leave is more likely than not to be used for time off or otherwise paid in cash or settled in noncash means.

In the government-wide financial statements, the total compensated absences liability is recorded as an expense and a long-term obligation. A current liability is recorded for the leave paid in cash in a year as it relates to the Louisiana Public Employees' Deferred Compensation Plan (see Note 7).

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net Position

For the government-wide statement of net position, net position amount is classified and displayed in three components:

- Net investment in capital assets – consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- Restricted net position – net position is considered restricted if its use is constrained to a particular purpose. Restricted net position is restricted assets reduced by liabilities and deferred inflows of resources related to the restricted assets.
- Unrestricted net position – consists of all other net position that does not meet the definition of the above two components and is available for general use by the Commission.

Fund Balance 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 contractually required to be maintained intact.
- Restricted – represents balances where constraints have been established by parties outside the Commission 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 Commission's highest level of decision-making authority.
- Assigned – represents balances that are constrained by the Commission's intent to be used for specific purposes, but are not restricted nor 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 expenses are incurred for the purposes for which both restricted and unrestricted amounts are available, the Commission reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for the purposes for which committed, assigned, and unassigned amounts are available, the Commission reduces committed amounts first, followed by assigned amounts and then unassigned amounts.

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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

2. DEPOSITS WITH FINANCIAL INSTITUTIONS

The Commission has cash and cash equivalents (book balances) at June 30, 2025, as follows:

	General Fund	Custodial Funds	Total
Cash and cash equivalents			
Demand deposits	<u>\$ 2,808</u>	<u>\$ 65,547</u>	<u>\$ 68,355</u>
	2,808	65,547	68,355
Restricted cash			
Demand deposits - escrow	<u>-</u>	<u>11,215</u>	<u>11,215</u>
	-	11,215	11,215
Total deposits	<u>\$ 2,808</u>	<u>\$ 76,762</u>	<u>\$ 79,570</u>

Deposits in financial institutions can be exposed to custodial credit risk. Custodial credit risk is the risk that in the event of a bank failure, the Commission's deposits may not be returned to them. The Commission does not have a deposit policy for custodial credit risk; however, state law is designed to limit this risk. State law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent's financial institution. At June 30, 2025, the Commission's bank balance of demand deposit accounts was \$98,796 and was fully collateralized or FDIC insured and therefore, not exposed to custodial credit risk.

The Commission has restricted assets relating to taxes paid under protest (see Note 9). The escrow account consists of taxes remitted to the Commission under protest. The Commission is not entitled to disburse these funds until the related claim has been settled. Once taxes paid under protest claims are settled, the funds will either be returned to the claimant or distributed among the five Commission member entities.

3. ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2025 includes service charges due totaling \$2,734.

4. CAPITAL ASSETS

A summary of the Commission's capital assets at June 30, 2025 follows:

	Balance June 30, 2024	Additions	Deletions	Balance June 30, 2025
Capital assets				
Furniture, fixtures & equipment	\$ 28,436	\$ -	\$ -	\$ 28,436
Less accumulated depreciation	(16,721)	(8,725)	-	(25,446)
Total capital assets, net	<u>\$ 11,715</u>	<u>\$ (8,725)</u>	<u>\$ -</u>	<u>\$ 2,990</u>

Depreciation expense of \$8,725 was charged to general government activities.

5. ACCOUNTS PAYABLE AND ACCRUALS

Accounts payable at June 30, 2025 includes vendor and payroll liabilities of \$116 and \$805, respectively.

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

6. COMPENSATED ABSENCES

At June 30, 2025, the employee of the Commission had accumulated \$65,639 in annual leave benefits. The following is a summary of the changes in accumulated annual leave benefits for the year ended June 30, 2025.

Compensated absences payable, beginning of year	\$ 91,705
Additions	9,531
Deletions	<u>(35,597)</u>
Compensated absences payable, end of year	<u>\$ 65,639</u>

7. DEFERRED COMPENSATION

The employee of the Commission participates in the Louisiana Public Employees' Deferred Compensation Plan (the "Plan") qualified under Section 457 of the Internal Revenue Code. The Plan covers fulltime employees who have elected to participate in the Plan. The employee contributes up to the maximum amount allowed by the Internal Revenue Code.

There were no contributions to the Plan made by the Commission for the year ended June 30, 2025. Complete disclosures relating to the Plan are included in the separately issued audit report for the plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

8. CONCENTRATION OF REVENUES

The Commission received fee revenues based on a percentage of collected sales and use taxes, up to an established minimum, from the Red River Parish School Board, the Red River Parish Police Jury, the Red River Parish Sheriff, the Town of Coushatta and the Village of Hall Summit during fiscal year 2025.

These agencies are all within the Parish of Red River. This revenue is substantially all of the Commission's revenue that is recognized in the General Fund.

9. TAXES PAID UNDER PROTEST

Louisiana Revised Statute 47:1576 provides that taxpayers, at the time of payment of all taxes due, may give notice to the tax collector of their intention to file suit for recovery of all or a portion of the total taxes paid. Upon receipt of a notice, the amount paid shall be segregated and held by the Commission for a period of thirty days. If a suit is filed within 30 days, the segregated funds shall be held pending the outcome of the suit. If the taxpayer prevails, the Commission shall refund the amount due with interest from the date the funds were received by the Commission. There was \$11,215 in sales taxes paid under protest, including accrued interest, as of June 30, 2025. These amounts are held in escrow and reported in the Commission's custodial fund.

10. LITIGATION AND CLAIMS

Taxes paid under protest at June 30, 2025 together with accrued interest totaled \$11,215. This total has been escrowed and is included in restricted cash in a custodial fund. As of June 30, 2025, there were disputed taxes or claims not included in escrow totaling approximately \$350,000. If claims or disputed taxes are paid and settled, but are not escrowed, and the dispute is settled in the taxpayers' favor, then these settlements may be funded by directly reducing future distributions to taxing districts.

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

11. EXPENDITURES OF THE TAX COMMISSION PAID BY THE PARISH COUNCIL

The Tax Commission is located in the Parish courthouse complex. Expenditures for maintenance and operation of the Parish courthouse complex, as required by state statute, are paid by the Red River Parish Police Jury and are not included in the accompanying financial statements.

12. CHANGE IN NET POSITION AVAILABLE FOR SETTLEMENT – FIDUCIARY FUND

	<u>Current Collections</u>	<u>Protested Taxes</u>	<u>Total</u>
Net position available for settlement at July 1, 2024	\$ -	\$ 11,191	\$ 11,191
COLLECTIONS			
Sales and use taxes	16,264,839	-	16,264,839
Interest	1,177	24	1,201
Total Collections	<u>16,266,016</u>	<u>24</u>	<u>16,266,040</u>
DISTRIBUTIONS AND COLLECTION COSTS			
Red River Parish School Board (2.0%)	6,765,748	-	6,765,748
Red River Parish Police Jury (1.5%)	5,076,048	-	5,076,048
Red River Parish Sheriff's Office (1.0%)	3,383,074	-	3,383,074
Town of Coushatta (1.0%)	683,159	-	683,159
Village of Hall Summit (1.0%)	22,113	-	22,113
Total Distributions	<u>15,930,142</u>	<u>-</u>	<u>15,930,142</u>
Settled disputes paid to tax payers	<u>218,235</u>	<u>-</u>	<u>218,235</u>
Returned payments and refunds	<u>10,431</u>	<u>-</u>	<u>10,431</u>
Cost of collections	<u>107,208</u>	<u>-</u>	<u>107,208</u>
Net position available for settlement at July 1, 2025	<u>\$ -</u>	<u>\$ 11,215</u>	<u>\$ 11,215</u>

13. COLLECTIONS ON BEHALF OF THE TAXING AUTHORITIES

	<u>Total Collections</u>	<u>Collection Costs</u>	<u>Returned Payment</u>	<u>Non-escrowed Settled disputes paid to taxpayers</u>	<u>Final Distribution</u>
Red River Parish School Board (2.0%)	\$ 6,908,548	\$ 45,682	\$ 4,431	\$ 92,688	\$ 6,765,747
Red River Parish Police Jury (1.5%)	5,183,186	34,274	3,324	69,539	5,076,049
Red River Parish Sheriff's Office (1.0%)	3,454,477	22,842	2,215	46,346	3,383,074
Town of Coushatta (1.0%)	697,237	4,272	447	9,359	683,159
Village of Hall Summit (1.0%)	22,568	138	14	303	22,113
Totals	<u>\$ 16,266,016</u>	<u>\$ 107,208</u>	<u>\$ 10,431</u>	<u>\$ 218,235</u>	<u>\$ 15,930,142</u>

The Commission distributes all sales and use taxes and interest collected each month to the respective entities less any funds paid under protest and interest, which are put in escrow accounts (see Note 9).

REQUIRED SUPPLEMENTARY INFORMATION – PART II

RED RIVER PARISH SALES AND USE TAX COMMISSION
COUSHATTA, LOUISIANA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUND - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Favorable</u> <u>(Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for services	\$ 99,708	\$ 132,144	\$ 132,042	\$ (102)
Interest income	400	130	300	170
Total Revenues	<u>100,108</u>	<u>132,274</u>	<u>132,342</u>	<u>68</u>
<u>EXPENDITURES</u>				
General Government:				
Employee salary and benefits	71,416	104,446	123,977	(19,531)
Travel	450	450	407	43
Operating services	47,808	50,760	12,689	38,071
Supplies	1,500	1,000	1,220	(220)
Professional services	-	-	22,943	(22,943)
Capital outlay	3,000	3,000	-	3,000
Total Expenditures	<u>124,174</u>	<u>159,656</u>	<u>161,236</u>	<u>(1,580)</u>
<u>CHANGES IN FUND BALANCE</u>	<u>(24,066)</u>	<u>(27,382)</u>	<u>(28,894)</u>	<u>(1,512)</u>
<u>FUND BALANCES</u>				
Beginning of year	<u>31,253</u>	<u>31,942</u>	<u>33,515</u>	<u>1,573</u>
End of year	<u>\$ 7,187</u>	<u>\$ 4,560</u>	<u>\$ 4,621</u>	<u>\$ 61</u>

OTHER SUPPLEMENTARY INFORMATION

RED RIVER PARISH SALES AND USE TAX COMMISSION
COUSHATTA, LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO THE AGENCY HEAD
FOR THE YEAR ENDED JUNE 30, 2025

Agency Head: Elaine Moore

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 68,227
Benefits - (Supplement and Insurance)	55,750
Car mileage	407
	<u>407</u>
	<u>\$ 124,384</u>

RED RIVER PARISH SALES AND USE TAX COMMISSION
COUSHATTA, LOUISIANA

SCHEDULE OF COLLECTIONS, DISTRIBUTIONS, AND COSTS OF COLLECTION
CASH BASIS PRESENTATION
FOR THE YEAR ENDED JUNE 30, 2025

Collections	
Sales and Use Tax	\$ 16,484,549
Interest	1,201
Total Collections Received	<u>16,485,750</u>
Less Collections Received and Held in Escrow	39
Total Collections Available for Disbursement	<u>16,485,711</u>
Amounts Disbursed To Each Local Taxing Authority (Net of Collection Costs)	
School Board (2.0%)	6,812,118
Parish Council 1.5%	5,110,680
Sheriff (1.0%)	3,406,259
Town of Coushatta (1.0%)	679,197
Village of Hall Summit (1.0%)	17,426
Total Amounts Disbursed to Local Taxing Authorities	<u>16,025,680</u>
Total Amount Retained by Collector	<u>460,031</u>
Amounts Disbursed for Costs of Collection	
Collector Employee Salaries	70,425
Collector Employee Benefits	56,235
Contracted Collector Services	104,708
All Other Costs of Collection	7,882
Total Amounts Disbursed for Costs of Collection	<u>239,250</u>
Balance in Excess (Deficiency) of Costs of Collection	<u>\$ 220,781</u>

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

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

Red River Parish Sales & Use Tax Commission
Coushatta, 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 governmental activities, the major fund, and the aggregate remaining fund information of the Red River Parish Sales & Use Tax Commission (the "Commission"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Commission's basic financial statements, and have issued our report thereon dated December 30, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission'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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

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.

EisnerAmper LLP

EISNERAMPER LLP
Baton Rouge, Louisiana
December 30, 2025

EISNERAMPER
LLP



RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expressed an unmodified opinion on the financial statements of the Red River Parish Sales & Use Tax Commission as of and for the year June 30, 2025.
2. No significant deficiencies or material weaknesses in internal controls were reported relating to the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of the Red River Parish Sales & Use Tax Commission were reported.

B. FINDINGS – FINANCIAL STATEMENT AUDIT

None.

RED RIVER PARISH SALES AND USE TAX COMMISSION
COUSHATTA, LOUISIANA

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS

FINDINGS – FINANCIAL STATEMENT AUDIT

None.

December 30, 2025

Red River Parish Sales & Use Tax Commission
Coushatta, Louisiana

We have audited the financial statements of the Red River Parish Sales & Use Tax Commission (the Commission) for the year ended June 30, 2025, and have issued our report thereon. As part of our audit, we considered the Commission's internal control over financial reporting as well as compliance with the terms of applicable laws and regulations, contracts, and grant agreements that could have a material effect on its financial statements under *Government Auditing Standards*. The purpose of our consideration of internal control and compliance was to establish a basis for designing our auditing procedures, and to determine the effects of compliance on the financial statements. Our consideration was not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control or expressing an opinion on compliance.

Our consideration of internal control was for the limited purposes described in the preceding paragraph and was not designed to identify all deficiencies that might be significant deficiencies or material weaknesses in internal control and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses. However, as described below, we identified a certain matter involving internal control and other operational matters that are presented for your consideration.

This letter does not affect our reports dated December 30, 2025, on the financial statements of the Commission or Commission's internal control over financial reporting in accordance with *Government Auditing Standards*. Our comment is summarized below:

CURRENT YEAR

MLC 2025-001 Segregation of Duties and Reconciliations (Recurring) (With Cause)

Criteria: Internal controls should be designed to prevent or detect and correct errors and unauthorized transactions. Internal controls should be established over tax collections to ensure that all tax payments are deposited timely, in agreement with the tax returns filed by the taxpayer and recorded properly in the general ledger. Internal controls should also be established to help ensure that all disbursements are authorized, within the governmental purpose of the Commission and budgetary appropriations. These control objectives are often accomplished by segregating the incompatible duties of authorizing the transaction, accounting and reconciliation duties and having access to the assets. Segregations of incompatible duties also reduces the potential for fraud or misappropriations.

Condition: The Administrator, the sole employee of the Commission, receives and enters sales and use tax return information into the collections system. She also makes the deposits or authorizes on-line batch deposits. She also records the activity in the general ledger and is responsible for reconciling the deposits and general ledger activity to the collections system and maintaining the compensated absences schedule. A single employee makes it difficult to segregate incompatible duties completely. To mitigate this, the Commission has implemented procedures involving members of the Board and other outside parties. Disbursements require dual signatures including the Administrator and one of the Board members with signatory authority. Further, a member of the Board periodically reviews and reconciles daily sales tax collections from the collections system to deposit records and bank activity. In addition, financial data including monthly tax collections, disbursements as well as significant other disbursements are reviewed in the quarterly board meetings. In addition, a commissioner reviews and approves timesheets and signs paychecks for each pay period. Also, periodically, the Commission reviews the compensated absences schedule.

Recommendation: We recommend that the Commission continue to perform the mitigating procedures and periodically assess the adequacy and effectiveness of those mitigating procedures.

Management's Response: *Management will continue to perform the established procedures as well as periodically assess the adequacy and effectiveness of those mitigating procedures.*

We have already discussed the above comment and recommendation with management, and we will be pleased to discuss it in further detail at your convenience. We would also welcome any opportunity to perform any additional study of this matter or to assist you in implementing the recommendation. Finally, we would also like to thank the Commission's Administrator for her cooperation with us during the performance of the audit.

This report is intended solely for the information and use of the Commission, management of the Commission and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties.

EISNERAMPER LLP

The logo for EisnerAmper LLP, featuring the company name in a stylized, cursive script font.

EISNERAMPER

**RED RIVER PARISH SALES & USE TAX
COMMISSION**

**LOUISIANA LEGISLATIVE AUDITOR –
STATEWIDE AGREED-UPON PROCEDURES
REPORT**

FOR THE YEAR ENDED JUNE 30, 2025



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Members of the
Red River Parish Sales & Use Tax Commission and
The Louisiana Legislative Auditor:

We have performed the procedures enumerated in Schedule A on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) of the Red River Parish Sales & Use Tax Commission (Commission) for the fiscal period July 1, 2024 through June 30, 2025. The Commission's management is responsible for those C/C areas identified in the SAUPs.

The Commission has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of performing specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2024 through June 30, 2025. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures we performed, and the associated findings are summarized in the attached Schedule A, which is an integral part of this report.

We were engaged by the Commission to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs of the Commission for the fiscal period July 1, 2024 through June 30, 2025. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

The purpose of this report is intended 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.



EISNERAMPER LLP
Baton Rouge, Louisiana
December 30, 2025

**RED RIVER PARISH SALES & USE TAX COMMISSION
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
JUNE 30, 2025**

Schedule A

The procedures performed and the results thereof are set forth below. The procedure is stated first, followed by the results of the procedure presented in italics. If the item being subjected to the procedures is positively identified or present, then the results will read “*no exception noted*” or for step 13 “*we performed the procedure and discussed the results with management*”. If not, then a description of the exception ensues.

1) Written Policies and Procedures

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

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

No exception noted.

ii. **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

No exception noted.

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

No exception noted.

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

No exception noted.

v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

The Commission has written policies for Payroll/Personnel, however, the policy does not specifically address attribute (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules. This is considered an exception. For attributes (1) and (2), no exceptions were noted.

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

No exception noted.

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

No exception noted.

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- viii. **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).

Not applicable as the Commission does not currently and has not historically had credit cards. No exception noted.

- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

No exception noted.

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

Not applicable as the Commission does not currently and has not historically had debt. No exception noted.

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

The Commission does not have written policies for disaster recovery/business continuity. This is considered an exception.

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

No exception noted.

2) Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- i. Observe whether 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.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

3) Bank Reconciliations

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

4) Collections (excluding electronic funds transfers)

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

A listing of deposit sites was provided and included a total of one (1) deposit site. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected the one (1) deposit site and performed the procedures below.

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- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (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 listing of collection locations for each deposit site selected in procedure #4A was provided and included a total of one (1) collection location. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected the one (1) collection location. Review of the Commission's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.

- i. Employees responsible for cash collections do not share cash drawers/registers.

No exception noted.

- ii. Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

The employee responsible for collecting cash also prepares/makes the bank deposit and reconciles collection documentation to the deposit. This is considered an exception.

- iii. Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

The employee responsible for collecting cash also posts collection entries to the general ledger and reconciles ledger postings to each other and the deposit. This is considered an exception.

- iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee verifies the reconciliation.

The employee responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers by revenue source and/or agency fund additions, is also responsible for collecting cash. This is considered an exception.

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

No exception noted.

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

We randomly selected two (2) deposit dates from two of the three (3) bank accounts. Of the three (3) bank accounts provided, one (1) bank account did not have deposits during the month, or the entire year. We obtained support documentation for deposits related to the remaining two (2) bank accounts and performed the procedures below.

- i. Observe that receipts are sequentially pre-numbered.

The Commission does not maintain sequentially pre-numbered receipts. This is considered an exception.

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

No exception noted.

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

No exception noted.

- iv. Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

No exception noted.

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

No exception noted.

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

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

The listing of locations that process payments for the fiscal period was provided, which included a total of 1 location. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected the one (1) location and performed the procedures below.

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- B. For each location selected under #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

The listing of employees involved with non-payroll purchasing and payment functions for each payment processing location selected in procedure #5A was provided. No exceptions were noted as a result of performing this procedure.

Review of the Commission's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.

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

For one (1) of the three (3) accounts tested, the Administrator and sole employee can initiate and approve purchase requests as well as make the purchase. This is considered an exception. For the other two (2) accounts tested, the Commission Chairman is also involved in the process.

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

No exception noted.

- iii. 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 exception noted.

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

No exception noted.

- v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

No exception noted.

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

A listing of non-payroll disbursements for each payment processing location selected in procedures #5A was provided related to the reporting period. No exceptions were noted as a result of performing this procedure.

From the listings provided, we randomly selected disbursements from each location (5 total) and performed the procedures below.

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- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice, and that supporting documentation indicates deliverables included on the invoice were received by the entity.

No exception noted.

- ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.

The Commission does not utilize purchase orders/requisitions. This is considered an exception. No other exceptions were noted.

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

No exception noted.

6) Credit Cards/Debit Cards/Fuel Cards/P-Cards

- A. 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.

Not applicable as the Commission does not issue credit cards.

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

Not applicable as the Commission does not issue credit cards.

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

Not applicable as the Commission does not issue credit cards.

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

Not applicable as the Commission does not issue credit cards.

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- C. Using the monthly statements or combined statements selected under procedure #6B 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 it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

Not applicable as the Commission does not issue credit cards.

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

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- i. If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- iii. Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by “Written Policies and Procedures,” procedure #1A(vii).

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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8) Contracts

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- iii. If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

9) Payroll and Personnel

- A. 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.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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- i. 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.).

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- iv. Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

10) Ethics

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

- i. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and

No exception noted.

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- ii. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

No exception noted.

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

Red River Parish Sales & Use Tax Commission does not have an ethics designee appointed. This is considered an exception.

11) Debt Service

- A. 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 State Bond Commission approval was obtained for each bond/note issued as required by Article VII, Section 8 of the Louisiana Constitution.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

12) Fraud Notice

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

- B. 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.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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13) Information Technology Disaster Recovery/Business Continuity

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

- i. Obtain and inspect the entity’s most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe that such backup (a) occurred within the past week, (b) was not stored on the government’s local server or network, and (c) was encrypted.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines

- ii. Obtain and inspect the entity’s most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines

- iii. Obtain a listing of the entity’s computers currently in use and their related locations, and management’s representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

14) Prevention of Sexual Harassment

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

There is only one employee. No exception noted.

B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity’s premises if the entity does not have a website).

No exception noted.

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

The Commission did not produce an annual sexual harassment report dated on or before February 1. Therefore, whether the report included the applicable requirements of R.S. 42:344 could not be observed/tested. This is considered an exception.

- i. Number and percentage of public servants in the agency who have completed the training requirements.

Report not available; required element unable to be observed. Exception noted.

- ii. Number of sexual harassment complaints received by the agency.

Report not available; required element unable to be observed. Exception noted.

- iii. Number of complaints which resulted in a finding that sexual harassment occurred.

Report not available; required element unable to be observed. Exception noted.

- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

Report not available; required element unable to be observed. Exception noted.

- v. Amount of time it took to resolve each complaint.

Report not available; required element unable to be observed. Exception noted.

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Schedule B

Corrective Action

Management has reviewed and will address the exceptions noted above.