

AGREED-UPON PROCEDURES REPORT

State Plumbing Board of Louisiana
Independent Accountant's Report
On Applying Agreed-Upon Procedures
For the Year Ended June 30, 2020

To the Board of Directors of State Plumbing Board of Louisiana
and the Louisiana Legislative Auditor:

I have performed the procedures enumerated below as they are a required part of the engagement. I am required to perform each procedure and report the results, including any exceptions. Management is required to provide a corrective action plan that addresses all exceptions noted. For any procedures that do not apply, I have marked "not applicable."

Management of the State Plumbing Board of Louisiana, a component unit of the State of Louisiana, is responsible for its financial records, establishing internal controls over financial reporting, and compliance with applicable laws and regulations. These procedures were agreed to by management of the State Plumbing Board of Louisiana and the Louisiana Legislative Auditor solely to assist the users in assessing certain controls and in evaluating management's assertions about the State Plumbing Board of Louisiana compliance with certain laws and regulations during the year ended June 30, 2020.

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

Written Policies and Procedures

- 1: Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories, as applicable:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
The budget is prepared in accordance with R.S. 39:1805
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law or state purchasing rules and regulations, as applicable to the entity; and (5) documentation required to be maintained for all bids and price quotes.
Each of the listed functions is included in the written policies and procedures.
 - c) **Disbursements**, including processing, reviewing, and approving.
Each of the listed functions is included in the written policies and procedures.
 - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue (e.g. periodic confirmation with outside parties, reconciliation of receipt number sequences, reasonableness of cash collections based on licenses issued).
Each of the listed functions is included in the written policies and procedures. The policies and procedures also include action to determine the completeness of all collections by each type of license.
 - e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
Each of the business functions is included in the written policies and procedures.

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

The Board does not have any policies addressing contracts. All contracts regarding professional services are approved by the board.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g. determining the reasonableness of fuel card purchases).

The entity has a credit card, a debit card and a fuel card; however, they have polices and procedures only for the debit card. Included in those procedures are policies and procedures addressing allowable business uses, documentation requirements, required approvers and monitoring the card usage.

Credit card purchases are limited to travel, meeting and vehicle maintenance expense where checks are not accepted.

- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (2) documentation requirements, (3) time-frame in which requests must be submitted and (4) required approvers

The board does not have their own policies for travel expenses. They following the rules and regulations included in the Louisiana Travel Guide.

- i) **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) requirement that all employees annually attest through signature verification that they have read the entity's ethics policy.

The Board follows the rules and regulations established by the Louisiana Code of Governmental Ethics.

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

The Board does not have any policies and procedures for debt service. They follow the guidelines of the State of Louisiana.

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

Each of these tools to recover operations after a critical event have been addressed.

Annual Fiscal Report (AFR)

2. Obtain the financial statements from the AFR submitted to the Division of Administration's (DOA) Office of Statewide Reporting and Accounting Policy for the current and prior periods. Perform analytical procedures comparing current and prior period amounts, by line item. Report any variances of 10% of greater for line items that are 10% or more of the respective total assets/deferred outflows of resources, liabilities/deferred inflows of resources, net position, revenues, or expenses, and management's explanation of the variance.

There were variances greater than 10% for the following:

Total assets increased by 13% due to the increase of cash and cash equivalents and the increase of changes in net position.

Deferred outflows of resources increased by 30% from an increase of pension outflow as compared to the prior year.

Deferred inflows of resources increased by 43% due to the increase of the actuary balance of inflow of resources for OPEB and net pension calculation.

Board Meetings/Minutes

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

- a) Observe that the board met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.

R.S. 37:1366 only require an annual meeting to occur in August of each year. This meeting did occur and there was a quorum at this meeting. The Board has elected to hold quarterly meetings and calls for special meeting when necessary. There was a quorum at each of the additional meetings.

- b) Observe that the minutes referenced or included monthly budget-to-actual comparisons.

At each of the board meetings there is a financial report presented but there is no mention if the financial report includes comparing the budget-to-actual. Before each of the board meetings, a meeting with the financial committee is held that reviews the budget-to-actual and the findings of this meeting are being presented to the full board. The financial statements that are included with the minutes do not indicate any deficit spending for the board member to address.

- c) Access the entity's online information included in the DOA's boards and commissions database (<https://www.cfrd.louisiana.gov/boardsandcommissions/home.cfm>) and observe that the entity submitted board meeting minutes for all meetings during the fiscal period.

The board minutes are submitted into the database through December 14, 2019. There are no other minutes submitted after that date.

Bank Reconciliations

4. Obtain a listing of bank accounts for the fiscal period from management and management's representation that the listing is complete. For each of the bank accounts in the listing provided by management, obtain bank statements and reconciliations for all months in the fiscal period and observe that:

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

Each bank reconciliation includes evidence that they were prepared within 2 months from the related statement closing date.

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

Each of the bank reconciliation include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation.

- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months at the statement closing date; and

Management does not document whether or not they are researching outstanding items on the bank reconciliation that are more than six months old and after reviewing the bank reconciliation there are only 14 items that total about \$1,500 that are over six months from the bank statement date.

- d) The reconciled balance for the final month of the fiscal period agrees to the general ledger.

The final bank reconciliation balance agrees with the general ledger balance of June 30, 2020.

Receipts/Collections

5. Obtain and inspect written policies and procedures relating to employees job duties (if no written policies or procedures, inquire of employees about their job duties), and observe that job duties for collections are properly segregated such that:

- a) 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 or license applications received) to the deposit.

The employee that collects deposits is not the same individual that prepares or makes the bank deposits.

- b) 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 that collects the deposits is not the same individual that post entries to the general ledger.

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

There is a different employee that reconciles cash collections to the general ledger and collects deposits. There is also a different employee that verifies the reconciliations.

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

The agency does not accept cash for payment of a license and does have an insurance policy that covers theft.

7. Randomly select 5 deposit dates for each of the bank accounts (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 5 deposits for each bank account and:

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

The system reports agree with the deposit slip.

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

The deposit slip total agrees with the actual deposit per the bank statement.

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

There is documentation that indicates the deposits are made within one business day of collections.

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

The deposit per the bank statement agrees to the amount posted to the general ledger.

8. Obtain and inspect written policies and procedures (if no written policies and procedures, inquire to management) and observe that there is a process performed to determine completeness of all collections, including electronic transfers, for each revenue source (e.g. periodic confirmation with outside parties, reconciliation of receipt number sequences, reasonableness of cash collections based on licenses issued) by a person who is not responsible for collections.

There is a segregation between the employees that collect payment for licenses and the employee that determines the completeness of those collections.

9. For licensing boards, obtain a list of initial and renewal licenses granted during the period from management and management's representation that the listing is complete. Randomly select 10 individual applicants from the listing and obtain the supporting documentation (e.g. application, copy of check) from management and:
- a) Observe that the fee paid for license was the appropriate fee based on the applicable fee schedule established by the board or statute.
The fees paid for licenses were appropriate based on the established fee schedule.
 - b) If a penalty was assessed (e.g. late fee), observe that the penalty was assessed and collected in accordance with the board's policies.
When a license is renewed after March 31, there is an increase in the license fee. However, no license that were selected has penalties attached or were made after March 31.

10. For levee districts, obtain independent confirmation of the tax amounts received from the appropriate parish Sherriff's offices. Observe that the confirmed amount agrees to the amount deposited by levee district.

Not applicable

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

11. Obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
There are at least two employees involved in a purchase request, approving a purchase and placing an order.
 - b) At least two employees are involved in processing and approving payments to vendors.
There are two employees that are involved with the processing of the payment and one of these employees also approves the payment to the vendors. However, this employee does not have an authorized signature.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
The same employee that processes payments also can add/modify vendor files; however, there is another employee that is responsible for reviewing changes made to the vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
After the vendor checks are signed, they are given to the same employee that processes the payments.

12. Obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements which are addressed in separate sections below) and obtain management's representation that the population is complete. Randomly select 5 disbursements, obtain supporting documentation (e.g. purchase requisition, invoices, receipts, receiving slips) for each transaction and:

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

The disbursement matches each of the original invoices observed.

- b) Observe that the disbursement documentation included evidence (e.g. initial/date, electronic logging) of segregation of duties tested under #11, as applicable.

There is evidence documenting an employee is initiating the purchase, approving the purchase, checking the purchase and reviewing the invoice.

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

13. 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. Randomly select 2 monthly statements or combined statements for each card (for a debit card, randomly select 2 monthly bank statements), obtain supporting documentation, and:

A list of credit cards was obtained from management that include a credit card, bank debit card and a fuel card. This agency does not have a P-card.

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g. original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.

There is evidence that the credit card and the fuel card are reviewed and approved by someone other than the authorized holder but the debit card is being reviewed by the same individual that has possession of the card.

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

There was a \$15 late fee added to the amount owed on the October 2019 statement.

14. Obtain supporting documentation for all transactions included on the monthly statements or combined statements selected in #13 above. For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). 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.

There was documentation that supported the purpose and the business purpose. None of the transactions selected were for meals.

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

15. Obtain from management a listing of all travel and travel-related expense reimbursements paid to employees and board members 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:

The list of travel and related expense was obtained from management.

- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana in PPM49 (<https://www.doa.la.gov/pages/osp/travel/TravelPolicy.aspx>) or the U.S. General Services Administration (www.gsa.gov).

Each of the per diem reimbursed expenses were paid in accordance with written policy.

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

None of the transactions selected included any items that were reimbursing actual cost receipts.

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

The business purchase was documented.

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

Each reimbursement was approved in writing by someone other than the individual receiving the reimbursement.

Contracts

- 16. 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:

A list of contracts was obtained from management.

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

There were no contracts that required a bid to comply with the Louisiana Public Bid Law or Louisiana Procurement Code.

- b) Observe that the contract was approved by the governing body/board, if required by policy.

The contracts were approved by the board members.

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

There were no amendments to any of the contracts

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

Each of the supporting invoices agreed with the terms and conditions of the contract.

Payroll and Personnel

- 17. Obtain a listing of employees employed during the fiscal period, and management's representation that the listing is complete. Randomly select 5 employees (or select all employees if less than 5), obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

A list of employees was obtained from management.

18. Randomly select 2 pay periods during the fiscal period. For the employees selected under #17 above, obtain attendance records and leave documentation for the pay period, and:
- a) Observe that all selected employees documented their daily attendance and leave (e.g., vacation, sick, compensatory).
There is documentation of employee daily attendance and leave.
 - b) Observe that supervisors approved the attendance and leave of the selected employees.
All attendance and leave records were approved by a supervisor
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
The approved leave accrued or taken is reflected in the cumulative leave records.
19. Obtain a listing of those employees that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select 2 employees, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employees' cumulative leave records, and agree the pay rates to the employees' authorized pay rates in the employees' personnel files.
- One employee was terminated during the fiscal year. The hours and pay rate used agree with the hours remaining on the cumulative leave records, the employees last time sheet and the employees authorized pay rate..
20. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.
- Management has informed me that the employer and employee portions of payroll taxes, retirement contributions, health insurance premiums and workers' compensation have been paid and the forms were filed by the required deadlines.

Ethics

21. Using the 5 randomly selected employees from procedure #17 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
- a) Observe that the documentation demonstrates each employee completed one hour of ethics training during the fiscal period.
The certificate observed demonstrates that each employee selected completed the one hour of ethics training during the fiscal period.
 - b) Observe that the documentation demonstrates each employee attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.
Best practices recommend the employees sign a verification that they have read the ethics policy. This agency does not have the employees sign a verification and rely on the ethic certificate to indicate the employee has read the ethics policy.
22. Obtain a listing of board members from management. Randomly select 5 board members and observe documentation to demonstrate that required annual ethics training was completed.
- A certificate was observed demonstrating that the board member selected completed the required annual ethics training as required.

Budget

23. Obtain a copy of the legally adopted budget, including all amendments, and the board minutes. Observe the minutes contain approval of the budget and amendments.

The original and the amended budget was obtained.

24. Compare the total revenues and total expenditures of the final budget to actual total revenues and total expenditures on the financial statements or AFR. Report variances of 10% or greater.

After comparing the current revenues and total expenditures to the final budget, none of the variances were greater than 10%.

25. Inquire of management whether the entity has updated its budget information in the DOA's boards and commissions database referred to in #3 above for the current fiscal period (i.e. period covered in these procedures). Access the online database and obtain the budget information for the current fiscal period. Observe that the budget information contained in the database agrees to the budget adopted by the entity's board.

Management has informed me they are updating its budget information in the DOA's database and the information on the database agrees with the amended budget that was approved by the board.

Debt Service

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

The debt was obtained in a previous year.

27. 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).

There were monthly payments made on the debt as per the loan agreement. There was no debt reserves required to be maintained with the debt.

Sexual Harassment

28. Obtain and inspect the entity's written sexual harassment policies and procedures and observe that they address all requirements of R.S. 42:342-344, including agency responsibilities and prohibitions; annual employee training; and annual reporting requirements.

The entity's written sexual harassment policy addresses the requirements of R.S. 42:342-344/

29. Obtain a listing of employees/board members employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/board members, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/board member completed at least one hour of sexual harassment training during the calendar year.

Each of the employees and board members selected had a certificate confirming they had completed at least one hour of sexual harassment training during the calendar year.

30. 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).

The agency does not have their sexual harassment policy and complaint procedures posted on their website but they do have a notice on how to obtain the information posted in a conspicuous location at their office.

31. 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 it includes the applicable requirements of R.S. 42:344.

The agency has not filed the annual reports that is considered mandatory by R.S. 42:344.

Other

32. 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.

There were no misappropriation of public funds or assets during the fiscal year,

33. 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. This notice is available for download or print at www.lla.la.gov/hotline.

Not applicable

Current Year Exceptions

Exception 2020-01 – Non-Payroll Distribution – Separation of Duties

Criteria – Is there documentation there indicates that the same employee that process payment to vendors is not the same employee that mails the checks to the vendor.

Condition – The same employee that process payment to vendors is the same employee that mails the checks to the vendor.

Recommendation – Best practice recommends a system of checks and balances over the purchasing and disbursement functions. If it is economically feasible for an entity to separate these duties it would be recommended.

Exception 2020-02 - Non-Payroll Distribution – Separation of Duties

Criteria – Does the documentation on the vendor invoices include evidence that the processing, review and approval of vendor invoices are performed by different employees.

Condition – There is no indication of which employee is processing the vendor invoice or approving the invoice before payment is made.

Recommendation - Best Practices recommends that an entity document its review and approval on all invoices before payment is made to a vendor.

Exception 2020-3– Sexual Harassment – Mandatory annual report

Criteria - R.S. 42:344 required an annual report to be filed by February first of each year containing information from the previous calendar year regarding the agency's compliance with the requirements of this Chapter including the number and percentage of public servants in the agency who have completed the training requirements, the number of sexual harassment complaints received by the agency, the number of complaints which resulted in a finding that sexual harassment occurred, the number of complaints in which the finding of sexual harassment resulted in discipline or corrective action and the amount of time it took to resolve each complaint.

Condition – The agency was not aware of the requirements of filing this report.

Recommendation – The agency should review this revised statute and comply with this filing.

Corrective Action

34. Obtain management's response and corrective action plan for any exceptions noted in the above agreed-upon procedures.

Exception 2020-01 – Non-Payroll Distribution – Separation of Duties

Response – The employee who processes a payment to vendors also mails the check to the vendor. She is an unclassified employee that is in the accounting department while other employees are civil servants whose job scope does not cover mailing vendor checks. It would not be financially or fiscally reasonable to use funds to add an employee to mail the checks.

Exception 2020-02 – Non-Payroll Distribution – Separation of Duties

Response – All vendor payments require the accounting and executive directors signature on the purchase order. When the vendor invoice is received it is compared to the purchase order in the accounting department and approved for payment by the executive director. Documentation of the approval is not indicated on the invoice. In the future, we will include in our procedures to document who is preparing the invoice and who is approving the invoice for payment.

Exception 2020-03 – Sexual Harassment – Mandatory annual report

Response – We were not aware of the Acts 2018, No. 270 that became effective January 1, 2019. We have obtained a copy of this Revised Statutes and are working on filing the report that was due before February 1, 2020, and to comply with future filings.

I was not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the procedures performed and the results of those procedures to assist the users in assessing certain controls and management's assertions about compliance with laws and regulations, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under R.S. 24:513, this report is distributed by the Legislative Auditor as a public document.

September 29, 2020



Michael K Glover CPA
Michael K Glover APAC

Prior Year exceptions

Exception 2019-01 – Contract

Condition – One of the contracts observed was paid an hourly rate that was higher than the amount indicated in the contract and a second contract did not have the number of hours it took to perform the service, with the hours not included I was not able to determine if the invoice was in compliance with the contracted terms.

Update – All invoices observed were paid at their contracted fee and each invoice was paid by the hours that were submitted on the invoice.