

CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia
Parish Police Jury)
FERRIDAY, LOUISIANA

ANNUAL FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2017

WITH
INDEPENDENT AUDITOR'S REPORT



SILAS SIMMONS LLP

CERTIFIED PUBLIC ACCOUNTANTS *and* ADVISORS

CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA

Annual Financial Statements
as of and for the Year Ended December 31, 2017
with Supplementary Information Schedules

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CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA

Annual Financial Statements
as of and for the Year Ended December 31, 2017
with Supplementary Information Schedules

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INDEPENDENT AUDITOR'S REPORT

Board of Control
Concordia Parish Library
Ferriday, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Concordia Parish Library, a component unit of the Concordia Parish Police Jury, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Concordia Parish Library as of December 31, 2017, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, the schedule of the Library's proportionate share of the net pension liability, and the schedule of the Library's contributions, on pages 4 through 6 and pages 23 through 26, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Concordia Parish Library's basic financial statements. The Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer, described in the accompanying table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2018, on our consideration of the Library'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Library's internal control over financial reporting and compliance.

This report is intended for the information of the Members of the Library Board, the Concordia Parish Police Jury, and the Legislative Auditor of the State of Louisiana and is not intended to be, and should not be, used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Silas Simmons, LLP

Natchez, Mississippi
March 14, 2018

SECTION I
REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2017

INTRODUCTION

This Management's Discussion and Analysis of Concordia Parish Library's financial performance provides an overall narrative view of the Library's financial activities for the year ended December 31, 2017, as compared to 2016. The intent of this discussion and analysis is to look at the Library's performance as a whole; readers should also review the notes to the financial statements to enhance their understanding of the Library's financial performance.

Concordia Parish Library's main office is located on 3rd Street in Ferriday, Louisiana in Concordia Parish. The Library provides library services to approximately 20,000 customers and is a component of the Concordia Parish Police Jury.

FINANCIAL HIGHLIGHTS

- Assets exceeded liabilities by \$8,457,002 and \$8,174,094 at December 31, 2017 and 2016, respectively.
- Total revenues exceeded expenditures by \$282,908 and \$350,927 at December 31, 2017 and 2016, respectively.
- The Library had net capital assets of \$3,270,186 and \$2,112,170 at December 31, 2017 and 2016, respectively.
- The total payroll was \$367,151 and \$358,636 for 2017 and 2016, respectively.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Concordia Parish Library's basic financial statements. The Library's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the Library's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Library's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Library is improving or deteriorating.

The statement of activities presents information showing how the Library's net assets changed during the most recent year.

The government-wide financial statements can be found on pages 7 through 8 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives.

The basic governmental fund financial statements can be found on pages 9 through 12 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the fund financial statements. The notes to the financial statements can be found on pages 13 through 22 of this report.

CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2017

FUND FINANCIAL ANALYSIS

Net position for the period ending December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Assets		
Current assets	\$ 5,178,079	\$ 6,053,781
Noncurrent assets - capital assets	<u>3,270,186</u>	<u>2,112,170</u>
Total assets	<u>\$ 8,448,265</u>	<u>\$ 8,165,951</u>
Deferred outflows of resources	<u>\$ 134,884</u>	<u>\$ 175,197</u>
Liabilities and Net Position		
Current liabilities	\$ 6,812	\$ 25,093
Noncurrent liabilities	<u>100,706</u>	<u>121,191</u>
Total liabilities	<u>\$ 107,518</u>	<u>\$ 146,284</u>
Deferred inflows of resources	<u>\$ 18,629</u>	<u>\$ 20,770</u>
Net Position		
Investment in capital assets, net of related debt	\$ 3,270,186	\$ 2,112,170
Unrestricted	<u>5,186,816</u>	<u>6,061,924</u>
Total net position	<u>\$ 8,457,002</u>	<u>\$ 8,174,094</u>

The following is a summary of the statement of activities:

	<u>2017</u>	<u>2016</u>
Revenues		
Ad valorem taxes	\$ 1,140,548	\$ 1,162,434
General revenues	98,922	90,141
Other	<u>432</u>	<u>478</u>
Total revenues	<u>\$ 1,239,902</u>	<u>\$ 1,253,053</u>
Expenses		
Operating expenses	<u>\$ 956,994</u>	<u>\$ 902,126</u>
Total expenses	<u>\$ 956,994</u>	<u>\$ 902,126</u>
Increase in net position	\$ 282,908	\$ 350,927
Net position, beginning of year	<u>8,174,094</u>	<u>7,823,167</u>
Net position, end of year	<u>\$ 8,457,002</u>	<u>\$ 8,174,094</u>

CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2017

FUND FINANCIAL ANALYSIS (continued)

The notes to the financial statements should be read to have a full understanding of the data in the government-wide financial statements.

CAPITAL ASSETS AND DEBT

As of December 31, 2017, the Library had \$4,318,658 invested in capital assets net of accumulated depreciation of \$1,048,472. During the year, expenditures of \$1,286,646 were made to acquire capital assets.

As of December 31, 2017, the Library had no outstanding long-term debt.

During the year, the Library acquired the following capital assets:

Vidalia Porte Cache (buildings)	\$	15,840
Architect fees		21,864
Clayton construction		<u>1,248,942</u>
	\$	<u><u>1,286,646</u></u>

COMMENT ON THE BUDGET

The Library budgeted revenues of \$1,144,568 and expenditures of \$2,740,550 during the year. Actual revenues (budget basis) were \$1,280,005 and actual expenditures (budget basis) were \$2,115,604. The budget was amended once during the year, on November 15, 2017.

LIBRARY INFORMATION

Concordia Parish Library Board is in the planning stage of renovating its buildings. The Vidalia Library's renovation and expansion is complete. The Library administration is saving money for the next projects. Two architects have been retained to prepare architectural designs. The estimated costs are \$1,600,000, plus \$200,000 in furniture for the Clayton facility. After this project is finished, a renovation is planned for the Ferriday facility and for the replacement of a new Bookmobile, which is 14 years old. The Ferriday project is estimated at \$1,000,000, plus \$200,000 for furniture, and will not begin until Clayton is complete.

REQUEST FOR INFORMATION

This financial report is designed to provide citizens, taxpayers, customers, and creditors with a general overview of the Library's finances and to show the Library's accountability for the money it receives. Any questions about this report or requests for additional information may be directed to Amanda Taylor, Director of Library, at (318)-757-3550.

SECTION II
BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA

STATEMENT OF NET POSITION

DECEMBER 31, 2017

ASSETS	
Cash and cash equivalents	\$ 4,174,051
Receivables	1,004,028
Capital assets, net	<u>3,270,186</u>
Total assets	<u>\$ 8,448,265</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources	<u>\$ 134,884</u>
LIABILITIES	
Accounts payable	\$ 15
Accrued compensated absences	6,797
Net pension liability	<u>100,706</u>
Total liabilities	<u>\$ 107,518</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources	<u>\$ 18,629</u>
NET POSITION	
Invested in capital assets	\$ 3,270,186
Unrestricted	<u>5,186,816</u>
Total net position	<u>\$ 8,457,002</u>

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

CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2017

EXPENDITURES/EXPENSES	
Library services	\$ 956,994
PROGRAM REVENUES	
Fees, fines, and other charges for services	<u>432</u>
Net program expense	\$ <u>956,562</u>
GENERAL REVENUES	
Ad valorem taxes	\$ 1,140,548
Federal revenue sharing	5,571
State revenue sharing	40,170
Interest earned	35,378
Other revenue	<u>17,803</u>
Total general revenues	\$ <u>1,239,470</u>
Changes in net position	\$ 282,908
NET POSITION	
Beginning of year	<u>8,174,094</u>
End of year	\$ <u><u>8,457,002</u></u>

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

FUND FINANCIAL STATEMENTS

CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA

BALANCE SHEET - GOVERNMENTAL FUND

DECEMBER 31, 2017

ASSETS

Cash and cash equivalents	\$	4,174,051
Receivables (net of allowances for uncollectibles)		<u>1,004,028</u>
Total assets	\$	<u><u>5,178,079</u></u>

LIABILITIES AND FUND BALANCES

Liabilities		
Accounts payable	\$	<u>15</u>
Total liabilities	\$	<u>15</u>
Fund balance		
Unassigned	\$	<u>5,178,064</u>
Total liabilities and fund balances	\$	<u><u>5,178,079</u></u>

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

CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA

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

DECEMBER 31, 2017

Total fund balance - governmental fund (Statement C)	\$	5,178,064
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Amounts reported for governmental activities in the statement of net position (government-wide financial statements) are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.

Capital assets	\$	4,318,658	
Less accumulated depreciation		<u>(1,048,472)</u>	3,270,186

Deferred outflows and inflows are not financial resources or currently payable

Deferred outflows	\$	134,884	
Deferred inflows		<u>(18,629)</u>	116,255

Long-term liabilities are not due and payable in the current year and, therefore, are not reported in the governmental funds:

Net pension liability	\$	(100,706)	
Accrued compensated absences liability		<u>(6,797)</u>	<u>(107,503)</u>

Total net position of governmental activities (Statement A)	\$	<u>8,457,002</u>
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The accompanying notes are an integral part of this financial statement.

CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA

**STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUND**

FOR THE YEAR ENDED DECEMBER 31, 2017

REVENUES

Ad valorem taxes	\$	1,140,548
Intergovernmental revenues:		
Federal revenue sharing		5,571
State revenue sharing		40,170
Fines		432
Interest earned		35,378
Other revenues		<u>17,803</u>
 Total revenues	 \$	 <u>1,239,902</u>

EXPENDITURES

General government	\$	808,524
Capital outlay		<u>1,286,646</u>
 Total expenditures	 \$	 <u>2,095,170</u>
 Excess of expenditures over revenues	 \$	 (855,268)
 Fund balance - beginning of year		 <u>6,033,332</u>
 Fund balance - end of year	 \$	 <u>5,178,064</u>

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

CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES**

FOR THE YEAR ENDED DECEMBER 31, 2017

Net change in fund balances - total governmental fund (Statement E)	\$	(855,268)
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Amounts reported for *governmental activities* in the statement of activities (government-wide financial statements) are different because:

Increase in accrued compensated absences	\$	(2,153)	
Net changes in assumptions related to pensions		4,205	2,052

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the period:

Capital outlay	\$	1,286,646	
Depreciation expense		(128,630)	1,158,016

Net pension expense is reported in governmental funds as expenditures as they are paid, however, in the statement of activities, the net pension expense is reported according to estimates required by GASB 68:

Pension expenses paid	\$	37,478	
Pension expenses per GASB 68		(59,370)	(21,892)

Change in net position of governmental activities (Statement B)	\$	282,908
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The accompanying notes are an integral part of this financial statement.

NOTES TO THE FINANCIAL STATEMENTS

CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

INTRODUCTION

1. Concordia Parish Library has been a component unit of the Concordia Parish Police Jury since its inception in 1954. Administration and accounting functions for funds of the Library were transferred from the Concordia Parish Police Jury to the Concordia Parish Library Board of Control effective July 1, 2005, by R.S. 25:215(b)(15).
2. The purpose of Concordia Parish Library (the Library) is to provide Library services to the citizens of Concordia Parish.
3. The Library consists of eight board members appointed by the Concordia Parish Police Jury. Members serve five-year terms without pay.
4. The Library has four service outlets which include branches in Ferriday, Clayton, Vidalia, and one Bookmobile.
5. The Library serves approximately 20,000 people.
6. The Library has six full-time and nine part-time employees.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying basic financial statements of Concordia Parish Library have been prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement Number 34, *Basic Financial Statements and Management's Discussion and Analysis - for State and Local Governments*, issued in June 1999.

B. Reporting Entity

The Library does not possess all the corporate powers necessary to make it a legally separate entity from the Concordia Parish Police Jury, which holds the Library's corporate powers. For this reason, the Library is a component unit of the Concordia Parish Police Jury, the financial reporting entity.

The accompanying financial statements present information only on the funds maintained by the Library and do not present information on the Police Jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Fund Accounting

The Library 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 Library 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 all or most of the Library's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. 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 that may be used to finance future period programs or operations of the Library. The following is a description of the Library's fund:

General Fund

The primary operating fund of the Library accounts 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 Library policy.

D. Measurement Focus/Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current period.

Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which are recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Measurement Focus/Basis of Accounting (continued)

Government-Wide Financial Statements

The page labeled Statement of Net Position (Statement A) and the page labeled Statement of Activities (Statement B) display information about the Library as a whole. These statements include all the financial activities of the Library. Information contained in these statements reflect the economic resources measurement focus and the accrual basis of accounting.

E. Budgets

The Library uses the following budget practices:

1. The Library Director prepares a proposed budget and submits same to the Library Board no later than fifteen days prior to the beginning of each year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the year for which the budget is being adopted.
5. Budgetary amendments involving the transfer of funds from one department, program, or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Library Board.
6. All budgetary appropriations lapse at the end of each year.
7. Budgets are adopted on a cash basis. Budget amounts are as originally adopted, or as amended from time to time by the Library Board.

F. Cash and Cash Equivalents

Cash includes amounts in demand deposits and time deposits. Under state law, the Library may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Capital Assets

Capital assets are capitalized at historical cost. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Library maintains a threshold level of \$1,000 or more for capitalizing capital assets. These financial statements include capital assets acquired subsequent to December 31, 2004. All capital assets owned prior to January 1, 2005, are accounted for by the Concordia Parish Police Jury.

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

Description	Estimated Lives
Furniture and fixtures	3-5 years
Vehicles	15 years

H. Compensated Absences

The Library has implemented GASB Statement 16 *Accounting for Compensated Absences*. Under GASB Statement 16, a liability for unpaid vacation that is attributable to services already rendered and that is not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to benefits.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources.

I. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

J. Net Position/Fund Balances

In the statements of net position, the difference between a government's assets and liabilities is recorded as net position. The two components of net position are as follows:

CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. Net Position/Fund Balances (continued)

Invested in Capital Assets, Net of Related Debt - This category records capital assets of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes, or other borrowings attributable to the acquisition, construction, or improvement of capital assets.

Unrestricted - This category represents net position not appropriable for expenditures or legally segregated for a specific future use.

Deferred Outflows/Inflows of Resources

The statement of financial position will often report a separate section for deferred outflows and/or deferred inflows of financial resources. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources until that time.

NOTE 2 - LEVIED TAXES

The following is a summary of authorized and levied property taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parish-wide taxes	8.5	8.5	2018

The following is a summary of Concordia Parish Library's ad valorem taxes assessed and collected (cash basis) and the taxes receivable at December 31, 2017:

	<u>Taxes Assessed</u>	<u>Taxes Collected</u>	<u>Taxes Uncollected December 31, 2017</u>
Parish-wide taxes	\$ <u>1,151,404</u>	\$ <u>170,259</u>	\$ <u>981,145</u>

CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 3 - CASH AND CASH EQUIVALENTS

At December 31, 2017, the Library had cash and cash equivalents (book balances) as follows:

Demand deposits	\$ 223,595
Time deposits	<u>3,950,456</u>
 Total	 <u>\$ 4,174,051</u>

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

At December 31, 2017, the Library has \$4,357,123 in deposits (collected bank balances). These deposits are secured from risk by \$500,000 of federal deposit insurance and \$5,894,309 of pledged securities held by the custodial bank in the name of the fiscal agent bank.

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

NOTE 4 - RECEIVABLES

The receivables at December 31, 2017, are as follows:

<u>Class of Receivable</u>	<u>Total</u>
Ad valorem taxes	\$ 981,145
State revenue sharing	13,390
Accrued interest	<u>9,493</u>
 Total	 <u>\$ 1,004,028</u>

These accounts receivable are considered to be 100% collectible and no provision for bad debts has been made by the Library.

CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 5 - CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2017, are as follows:

	<u>Balance</u> <u>12/31/16</u>	<u>Additions</u>	<u>Transfers</u>	<u>Retirements</u>	<u>Balance</u> <u>12/31/17</u>
Capital assets being depreciated					
Buildings	\$ 2,157,965	\$ 15,840	\$ -	\$ -	\$ 2,173,805
Bookmobile	94,952	-	-	-	94,952
Equipment	576,921	-	-	-	576,921
Construction in progress	<u>202,174</u>	<u>1,270,806</u>	<u>-</u>	<u>-</u>	<u>1,472,980</u>
Total capital assets being depreciated	<u>\$ 3,032,012</u>	<u>\$ 1,286,646</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,318,658</u>
Less accumulated depreciation:					
Buildings	\$ (401,090)	\$ (79,557)	\$ -	\$ -	\$ (480,647)
Bookmobile	(75,475)	(6,330)	-	-	(81,805)
Equipment	<u>(443,277)</u>	<u>(42,743)</u>	<u>-</u>	<u>-</u>	<u>(486,020)</u>
Total accumulated depreciated	<u>\$ (919,842)</u>	<u>\$ (128,630)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,048,472)</u>
Total capital assets, net	<u>\$ 2,112,170</u>	<u>\$ 1,158,016</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,270,186</u>

NOTE 6 - ACCOUNTS, SALARIES, AND OTHER PAYABLES

The accounts, salaries, and other payables at December 31, 2017, are as follows:

Other payables	<u>\$ 15</u>
Total	<u>\$ 15</u>

NOTE 7 - PENSION PLAN

Plan Description. Substantially all employees of Concordia Parish Library are members of the Parochial Employees' Retirement System of Louisiana (System), a cost-sharing, multiple-employer, defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the Library are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final-average salary for each year of creditable service. However, for those employees who were members of the supplementary plan only before January 1, 1980, the benefit is equal to one percent of final average salary plus \$24 for each year of supplementary-plan-only service earned before January 1, 1980.

CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 7 - PENSION PLAN (continued)

Final average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (504) 928-1361.

Funding Policy. Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the Library is required to contribute at an actuarially determined rate. The current rate is 13 percent of annual covered payroll. Contributions to the System also include one-fourth of 1 percent (except Orleans and East Baton Rouge parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan.

The contribution requirements of plan members and the Library are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Library's contributions to the System under Plan A for the year ending December 31, 2017, were \$37,478, equal to the required contributions for the year.

NOTE 8 - PLAN DESCRIPTION AND BENEFITS

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2017, the Library reported a liability of \$100,706 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Library's proportion of the net pension liability was based on a projection of the Library's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At December 31, 2016, the Library's proportion was .048898 percent.

For the year ended December 31, 2017, the Library recognized pension expense of \$59,818, less employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$448. At December 31, 2017, the Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 17,623
Changes of assumptions	19,120	-
Net difference between projected and actual earnings on pension plan investments	78,152	-
Changes in proportion and differences between Library contributions and proportionate share of contributions	134	1,006
Library contributions subsequent to the measurement date	<u>37,478</u>	<u>-</u>
Total	<u>\$ 134,884</u>	<u>\$ 18,629</u>

CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 8 - PLAN DESCRIPTION AND BENEFITS (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

\$37,478 reported as deferred outflows of resources related to pensions resulting from Library contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2018	\$ 29,152
2019	31,118
2020	20,619
2021	<u>(2,112)</u>
Total	<u>\$ 78,777</u>

Actuarial assumptions. The total pension liability in the December 31, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	December 31, 2016
Actuarial cost method	Entry age normal
Actuarial assumptions:	
Investment rate of return	7.00%, net of investment expense, including inflation
Expected remaining service lives	4 years
Projected salary increase	5.25% (2.75% merit/2.50% inflation)
Cost of living adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.
Mortality	RP-2000 Employee Mortality Table was selected for active members. RP-2000 Healthy Annuitant Mortality Table was selected for healthy annuitants and beneficiaries. RP-2000 Disabled Lives Mortality Table was selected for disabled annuitants.
Inflation rate	2.50%

The long-term expected real rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward-looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.66%. Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2016, are summarized in the following table:

CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 8 - PLAN DESCRIPTION AND BENEFITS (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-term Expected Portfolio Real Rate of Return</u>
Fixed income	35%	1.24%
Equity	52%	3.63%
Alternatives	11%	0.67%
Real assets	2%	0.12%
Totals	100%	5.66%
Inflation		2.00%
Expected arithmetic nominal return		7.66%

Sensitivity to Changes in Discount Rate. The following presents the net pension liability of the participating employers calculated using the discount rate of 7.00%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower 6.00% or one percentage point higher 8.00% than the current date.

	<u>Changes in Discount Rate 2016</u>		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net pension liability	\$ 301,252	\$ 100,706	\$ (68,862)

NOTE 9 - RISK MANAGEMENT

The Library is exposed to certain risks of losses such as property damage, liability issues, and other potential losses that may occur. The Library minimizes its losses by purchase of commercial insurance. The Library's exposure over the amount of insurance is considered to be immaterial.

SECTION III
REQUIRED SUPPLEMENTARY INFORMATION

CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA

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

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u> <u>Budget</u> <u>Basis</u>	<u>Differences</u> <u>Over/</u> <u>(Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Ad valorem taxes	\$ 1,096,568	\$ 1,050,568	\$ 1,177,621	\$ 127,053
Federal revenue sharing	2,000	5,000	5,571	571
State revenue sharing	38,000	40,000	40,170	170
Fines	550	350	432	82
Interest earned	25,000	36,000	38,408	2,408
Other revenue	<u>10,900</u>	<u>12,650</u>	<u>17,803</u>	<u>5,153</u>
Total revenues	<u>\$ 1,173,018</u>	<u>\$ 1,144,568</u>	<u>\$ 1,280,005</u>	<u>\$ 135,437</u>
EXPENDITURES				
General government	\$ 1,012,650	\$ 1,010,550	\$ 828,958	\$ 181,592
Capital outlay	<u>1,890,000</u>	<u>1,730,000</u>	<u>1,286,646</u>	<u>443,354</u>
Total expenditures	<u>\$ 2,902,650</u>	<u>\$ 2,740,550</u>	<u>\$ 2,115,604</u>	<u>\$ 624,946</u>
EXCESS (DEFICIT) OF				
REVENUES OVER				
EXPENDITURES				
	\$ (1,729,632)	\$ (1,595,982)	\$ (835,599)	\$ 760,383
Fund balance (cash basis)				
- beginning of year	<u>5,009,650</u>	<u>5,009,650</u>	<u>5,009,650</u>	<u>-</u>
Fund balance (cash basis)	<u>\$ 3,280,018</u>	<u>\$ 3,413,668</u>	<u>\$ 4,174,051</u>	<u>\$ 760,383</u>
- end of year				

See Independent Auditor's Report.

CONCORDIA PARISH LIBRARY
 (A Component Unit of the Concordia Parish Police Jury)
 FERRIDAY, LOUISIANA

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2017

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Comparison Schedule

1. Basis of Presentation

The Budgetary Comparison Schedule presents the original legally adopted budget, the final legally adopted budget, the actual data on the cash basis, and variances between the final budget and the actual data.

2. Budget/GAAP Reconciliation

The major differences between the budgetary basis and the GAAP basis are:

- a. Revenues are recorded when received in cash (budgetary) as opposed to when susceptible to accrual (GAAP).
- b. Expenditures are recorded when paid in cash (budgetary) as opposed to when susceptible to accrual (GAAP).

The following schedule reconciles net change in fund balances on the budgetary basis schedules to the GAAP basis financial statements for the General Fund:

Net change in fund balance – budget basis	\$ (835,599)
Decrease	
Net adjustments for revenue accruals	(40,103)
Net adjustments for expenditure accruals	<u>20,434</u>
Net change in fund balance – GAAP basis	<u>\$ (855,268)</u>

See Independent Auditor's Report.

CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA

SCHEDULE OF THE LIBRARY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>2016</u>	<u>2017</u>
Library's proportion of the net pension liability (asset)	.046040%	.048898%
Library's proportionate share of the net pension liability (asset)	\$ 121,191	\$ 100,706
Library's covered-employee payroll	\$ 263,972	\$ 286,693
Library's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	45.91%	35.13%
Plan fiduciary net position as a percentage of the total pension liability	92.23%	94.15%

- This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

See Independent Auditor's Report.

CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA

SCHEDULE OF THE LIBRARY'S CONTRIBUTIONS
PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>2016</u>	<u>2017</u>
Contractually required contribution	\$ 37,270	\$ 37,478
Contributions in relation to the contractually required contribution	<u>(37,270)</u>	<u>(37,478)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Library's covered-employee payroll	\$ 286,693	\$ 296,390
Contributions as a percentage of covered-employee payroll	13.00%	13.00%

- This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

See Independent Auditor's Report.

**SECTION IV
OTHER INFORMATION**

CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA

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

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

Agency Head Name:	Amanda Taylor
Salary	\$ 77,917
Benefits - retirement	<u>11,194</u>
Total	<u>\$ 89,111</u>

See Independent Auditor's Report.

SECTION V
REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS



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**INDEPENDENT AUDITOR'S 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**

Board of Control
Concordia Parish Library
Ferriday, 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, each major fund, and the aggregate remaining fund information of Concordia Parish Library as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise Concordia Parish Library's basic financial statements, and have issued our report thereon dated March 14, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Concordia Parish Library's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Concordia Parish Library's internal control. Accordingly, we do not express an opinion on the effectiveness of Concordia Parish Library'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 the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Concordia Parish Library'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our 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.

Silas Simmons, CPA

Natchez, Mississippi
March 14, 2018

**SECTION VI
SCHEDULE OF FINDINGS**

**CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA**

SCHEDULE OF FINDINGS

FOR THE YEAR ENDED DECEMBER 31, 2017

Section I: Summary of Auditor's Reports

- | | |
|--|------------|
| 1. Type of auditor's report issued on the primary government financial statements: | |
| Governmental activities | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiency(ies) identified that are not considered to be material weaknesses? | No |
| 3. Noncompliance material to the primary government financial statements? | No |

CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2016

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken (Yes, No, Partially)</u>	<u>Planned Corrective Action/Partial Corrective Action Taken</u>
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Section I - Internal Control and Compliance Material to the Financial Statements:

None

Section II - Internal Control and Compliance Material to Federal Awards:

None

Section III - Management Letter:

None

CONCORDIA PARISH LIBRARY
(A Component Unit of the Concordia Parish Police Jury)
FERRIDAY, LOUISIANA

CURRENT YEAR AUDIT FINDINGS

FOR THE YEAR ENDED DECEMBER 31, 2017

<u>Ref. No.</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name(s) of Contact Person(s)</u>	<u>Anticipated Completion Date</u>
-----------------	-------------------------------	--------------------------------------	---	--

Section I - Internal Control and Compliance Material to the Financial Statements:

None

Section II - Internal Control and Compliance Material to Federal Awards:

None

Section III - Management Letter:

None

SCHEDULE VII
AGREED-UPON PROCEDURES REPORT



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

To the Concordia Parish Library
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by Concordia Parish Library and the Louisiana Legislative Auditor (LLA) on the control and compliance areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the year ended December 31, 2017. The Library's management is responsible for those control and compliance areas identified in the SAUPs.

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

The procedures and associated findings are included in the attachment following this report.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those control and compliance areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those control and compliance 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.

Silas Simmons, LLP

Natchez, Mississippi
March 14, 2018

CONCORDIA PARISH LIBRARY

SUPPLEMENTAL SCHEDULE OF AGREED-UPON PROCEDURES AND FINDINGS

FOR THE YEAR ENDED DECEMBER 31, 2017

Written Policies and Procedures

1. Procedures: Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
 - a) *Budgeting*, including preparing, adopting, monitoring, and amending the budget.
 - b) *Purchasing*, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the public bid law, and (5) documentation required to be maintained for all bids and price quotes.
 - c) *Disbursements*, including processing, reviewing, and approving.
 - d) *Receipts*, including receiving, recording, and preparing deposits.
 - e) *Payroll/Personnel*, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
 - f) *Contracting*, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
 - g) *Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)*, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage.
 - h) *Travel and expense reimbursement*, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
 - i) *Ethics*, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
 - j) *Debt Service*, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Findings: We reviewed the written policies and procedures for the related functions listed above in the procedures. Through our review, we were able to determine that the Library has appropriate written policies and procedures for the related topics.

No exceptions were noted during the above procedures.

Board (or Finance Committee, if applicable)

2. Procedures: Obtain and review the board/committee minutes for the fiscal period, and:
- a) Report whether the managing 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.
 - b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).
 - c) Report whether the minutes referenced or included non-budgetary financial information (e.g., approval of contracts and disbursements) for at least one meeting during the fiscal period.

Findings: We obtained a copy of Concordia Parish Library's Board/committee minutes for the fiscal period. We reviewed the minutes to determine whether the managing board met on a frequency in accordance with the Board's enabling legislation, charter, or equivalent document. We reviewed the minutes to determine whether they referenced or included monthly budget-to-actual comparisons on the General Fund and non-budgetary financial information for at least one meeting during the fiscal period.

No exceptions were noted during the above procedures.

Bank Reconciliations

3. Procedures: Obtain a listing of client bank accounts from management and management's representation that the listing is complete.

Findings: We reviewed a listing of the client's bank accounts with Concordia Bank & Trust, Tensas State Bank, and Delta Bank and compared them to management's representation to verify that management's listing is complete.

No exceptions were noted during the above procedures.

4. Procedures: Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three-year rotating basis (if more than five accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:
- a) Bank reconciliations have been prepared,
 - b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation, and
 - c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than six months as of the end of the fiscal period.

Findings: We randomly selected one-third of the bank accounts on a three-year rotating basis and obtained the related bank statements and reconciliations for all months in the fiscal period. We reviewed the bank reconciliations to report whether they were prepared, included evidence that management or a board member had reviewed each statement, and included documentation that management has researched reconciling items that have been outstanding for more than six months as of the end of the fiscal period.

During our review of the bank reconciliations, we noted that there was no evidence of review by a member of management or a board member.

Collections

5. Procedures: Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.

Findings: We reviewed a listing of cash/check/money order collection locations and management's representation to determine that the listing is complete. There were two listed, including the main office in Ferriday and the Vidalia branch.

No exceptions were noted during the above procedures.

6. Procedures: Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three-year rotating basis (if more than five locations). For each cash collection location selected:
- a) Obtain existing written documentation (e.g., insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded; (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party); and (3) not required to share the same cash register or drawer with another employee.
 - b) Obtain existing written documentation (e.g., sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.
 - c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period.
 - d) Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.
 - e) Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

Findings: We performed testing for Concordia Parish Library's main office in Ferriday, Louisiana. During testing, we obtained written documentation verifying whether each person responsible for collecting cash was bonded, had no responsibilities for depositing cash in the bank, recording related transactions or reconciling bank statements, and had a separate cash register or drawer from other employees.

We obtained written documentation to determine whether the Library has a formal process to reconcile cash collections to the general ledger and subsidiary ledgers by a person that was not responsible for cash collections at the location. We selected the highest week of collections from the general ledger and traced daily collections to the deposit date on the bank statement to determine that the deposits were made within one day of collection. We also used sequentially numbered receipts to verify that cash collections were completely supported by documents.

No exceptions were noted during the above procedures.

7. Procedures: Obtain existing written documentation (e.g., policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and 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) by a person who is not responsible for collections.

Findings: We reviewed written documentation to determine that the Library has a process specifically defined to determine completeness of collections for each revenue source by a person who is not responsible for collections.

No exceptions were noted during the above procedures.

Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)

8. Procedures: Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort/filter for entity disbursements. Obtain management's representation that the listing or general ledger population is complete.

Findings: We reviewed a management listing of Library disbursements from the general ledger and obtained management's representation that the listing was complete.

No exceptions were noted during the above procedures.

9. Procedures: Using the disbursement population from Procedure 8, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-Card purchases or payments. Obtain supporting documentation (e.g., purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:

- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.
- b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.
- c) Payments for purchases were not processed without an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

Findings: We randomly selected 25 disbursement transactions during the fiscal period. We obtained and reviewed documentation to determine that the Library utilizes a requisition/purchase order system or an equivalent electronic system for purchases. We reviewed purchase orders or equivalent documentation to determine whether they were approved by a person who did not initiate the purchase. We reviewed documentation to determine whether payments for purchases were processed without an approved requisition, purchase order, or invoice.

During our testing, we noted that the Library does not utilize any sort of purchase requisition/purchase order system for disbursements.

10. Procedures: Using Library documentation (e.g., electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.

Findings: We reviewed entity documentation to determine whether the party responsible for processing payment is prohibited from adding vendors to the Library's purchasing/disbursement system. We noted no written policy related to this matter. The Library does not manually input vendors. Inputting new vendors is outsourced to their accountant.

There was no written policy noted that prohibits the individual responsible for processing payment from adding new vendors but the Library does outsource this function to their accountant.

11. Procedures: Using entity documentation (e.g., electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

Findings: We inquired of management regarding their practices in approving disbursements for the Library to determine that the Library director approves all purchases.

No exceptions were noted during the above procedures.

12. Procedures: Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

Findings: We inquired of management with regards to the location and access of unused checks, and they asserted that the unused checks are locked in a vault with access only granted to the librarian.

No exceptions were noted during the above procedures.

13. Procedures: If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

Findings: We inquired of management to determine whether a signature stamp or signature machine was used. We also inquired of the librarian about whether signed checks were kept in their possession until the checks were mailed.

No exceptions were noted during the above procedures.

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

14. Procedures: Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-Cards (cards), 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.

Findings: We used the policies and the general ledger to determine that the Library only keeps one credit card and all of its corresponding information and the name of the person who maintained possession of the card. We also received representation from management that the listing was complete.

No exceptions were noted during the above procedures.

15. Procedures: Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder.
- b) Report whether finance charges and/or late fees were assessed on the selected statements.

Findings: We obtained the monthly statement for the one credit card used by the Library and selected the month with the largest dollar activity, which was October 2017 with a balance of \$1,373.71. We reviewed the statement to determine whether there was evidence that it was reviewed and approved, in writing, by someone other than the authorized card holder. We also reviewed the statement to determine whether finance charges and/or late fees were assessed on the statement.

No exceptions were noted during the above procedures.

16. Procedures: Using the monthly statements or combined statements selected under Procedure 15, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e., each of the 10 cards should have one month of transactions subject to testing).
- a) For each transaction, report whether the transaction is supported by:
- An original itemized receipt (i.e., identifies precisely what was purchased)
 - Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.
 - Other documentation that may be required by written policy (e.g., purchase order, written authorization).
- b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e., transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.
- c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g., cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

Findings: Using the monthly statement from Procedure 15, we obtained supporting documentation for all transactions to determine whether there was an original itemized receipt, documentation of the business/public purpose, and other required written documentation. We reviewed the monthly statement to compare the transaction's detail to the Louisiana Public Bid Law. We also compared the Library's documentation of business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution.

No exceptions were noted during the above procedures.

Travel and Expense Reimbursement

17. Procedures: Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.

Findings: We inquired of management to obtain records of all travel and related expense reimbursements by person during the fiscal period.

No exceptions were noted during the above procedures.

18. Procedures: Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration (www.gsa.gov) and report any amounts that exceed GSA rates.

Findings: We obtained the Library's written policies related to travel and expense reimbursements and compared the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration.

The Library's written policies and procedures on travel reimbursement does not discuss the per diem and mileage rates that employees receive.

19. Procedures: Using the listing or general ledger from Procedure 17, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:
- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (Procedure 18) and report each reimbursement that exceeded those rates.
 - b) Report whether each expense is supported by:
 - An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]
 - Documentation of the business/public purpose. (Note: For meal charges, there should also be documentation of the individuals participating.)
 - Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance).
 - c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g., hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.
 - d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Findings: Using the listing from Procedure 17, we selected the three persons who incurred the most travel costs during the fiscal period. We reviewed the expense report to compare the documentation to written policies. The Board pays each payee 51 cents per mile. We obtained the supporting documentation for each expense to determine the business purpose. We also determined that the Board reviews and signs off on each expense report.

No exceptions were noted during the above procedures.

Contracts

20. Procedures: Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.

Findings: We obtained a listing of all contracts in effect during the fiscal period and management's representation that the listing was complete.

No exceptions were noted during the above procedures.

21. Procedures: Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:
- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.
 - b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:
 - If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder).
 - If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.
 - c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.
 - d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.
 - e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g., Lawrason Act or Home Rule Charter).

Findings: We reviewed the one and only contract to determine whether it supports the service arrangement and amount paid, and compared the contract's detail with Louisiana Public Bid Law. We also reviewed the contract and related documentation to determine if the contract was amended and whether or not the largest payment complied with the terms and conditions of the contract. We also reviewed contract documentation and board minutes to determine whether there was documentation of Board approval.

No exceptions were noted during the above procedures.

Payroll and Personnel

22. Procedures: Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:
- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.
 - b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

Findings: We obtained a listing of employees with their related salaries and randomly selected five employees to determine if compensation paid to them was in compliance with the terms of their employment contract. We also checked for any changes made to hourly pay rates/salaries during the fiscal period. No changes to the hourly rates/salaries of the selected employees were noted.

No exceptions were noted during the above procedures.

23. Procedures: Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:
- a) Report whether 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.)
 - b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.
 - c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

Findings: We selected one-third of the Library's employees to determine if each selected employee documented their daily attendance and leave, whether there was written documentation that supervisors approved the attendance and leave of the selected employees/officials, and whether there is written documentation that the Library maintained written leave record on the selected employees.

No exceptions were noted during the above procedures.

24. Procedures: Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management.

Findings: We inquired with management as to whether any employees/officials were terminated during the fiscal period. One employee voluntarily quit and did not receive unemployment payments.

No exceptions were noted during the above procedures.

25. Procedures: Obtain supporting documentation (e.g., cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

Findings: We inquired with management as to whether the Library participates in retirement plans. We reviewed remittances and cancelled checks to verify payroll taxes were remitted timely to appropriate agencies.

No exceptions were noted during the above procedures.

Ethics (excluding nonprofits)

26. Procedures: Using the five randomly selected employees/officials from Procedure 22 under "Payroll and Personnel", obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed.

Findings: We obtained the personnel files on the five employees selected in Procedure 22 from management to determine whether ethics training/compliance documentation was completed.

No exceptions were noted during the above procedures.

27. Procedures: Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management's actions complied with the entity's ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

Findings: We inquired with management whether any alleged ethics violations were reported to the Library during the fiscal year.

No exceptions were noted during the above procedures.

Debt Service (excluding nonprofits)

28. Procedures: If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained.

Findings: No debt was issued during the fiscal period. Therefore, this procedure was not applicable.

No exceptions were noted during the above procedures.

29. Procedures: If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.

Findings: The Library did not have any outstanding debt during the fiscal period. Therefore, this procedure was not applicable.

No exceptions were noted during the above procedures.

30. Procedures: If the entity had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off.

Findings: The Library did not have tax millages related to debt service. Therefore this procedure was not applicable.

No exceptions were noted during the above procedures

Other

31. Procedures: Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Findings: We inquired with management whether the Library had any misappropriations of public funds or assets. Per management, the Library was not aware of any appropriations.

No exceptions were noted during the above procedures.

32. Procedures: Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at www.la.la.gov/hotline) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

Findings: We observed whether the Library had posted on its premises and website the notice required by R.S. 24:523:1.

No exceptions were noted during the above procedures.

33. Procedures: If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.

Findings: We did not observe or otherwise identify any exceptions regarding management's representations.

No exceptions were noted during the above procedures.

CONCORDIA PARISH LIBRARY
 SCHEDULE OF FINDINGS
 FOR THE YEAR ENDED DECEMBER 31, 2017

Summary of Findings

<u>Reference No.</u>	<u>Description of Finding</u>
Procedure 4b	Bank reconciliations did not include evidence that a member of management or board member reviewed each reconciliation.
Procedure 9	The entity does not utilize any sort of purchase requisition or purchase order system for disbursements.
Procedure 10	The entity does not have a policy restricting those responsible for processing payment from adding vendors to accounting system.
Procedure 18	The entity's written policy on travel reimbursement does not discuss the per diem and mileage rates that employees receive.

Management Response

Management plans to address the above findings during fiscal year 2018.