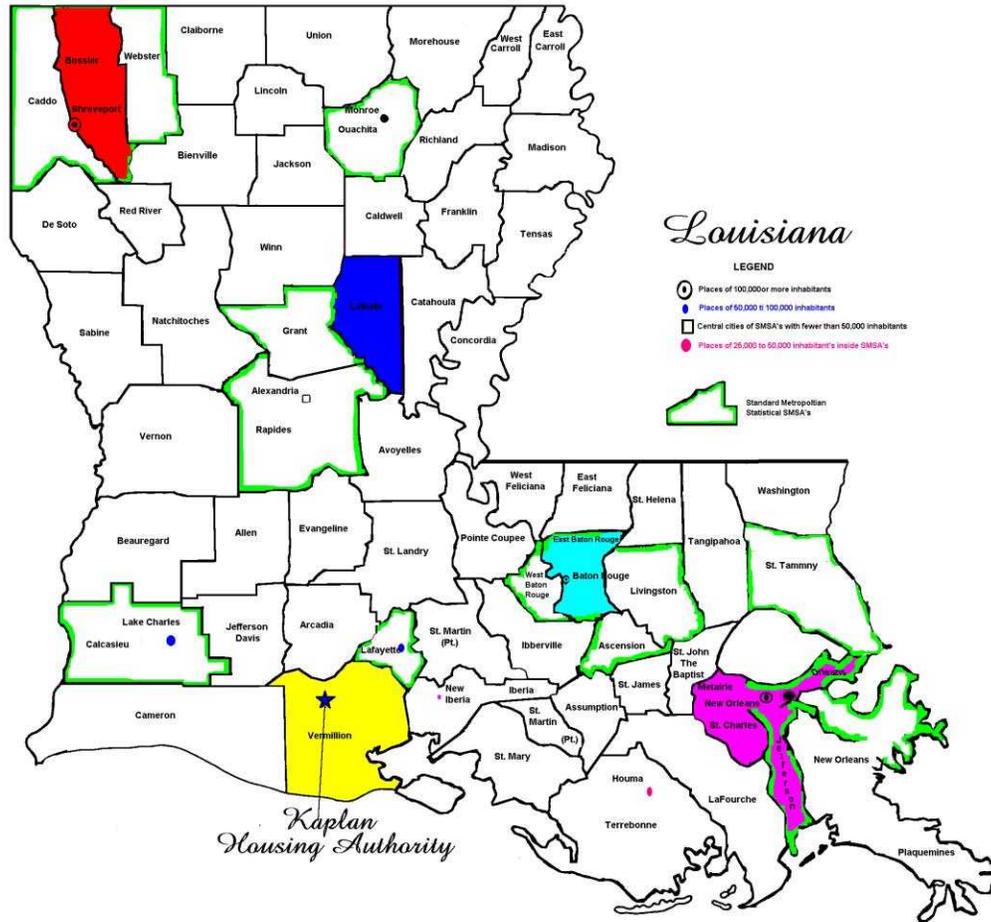


**HOUSING AUTHORITY
OF
TOWN OF KAPLAN, LOUISIANA**

**Financial Statements and
Supplemental Financial Information**

June 30, 2017

HOUSING AUTHORITY OF THE TOWN OF KAPLAN KAPLAN, LOUISIANA



Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low income housing programs in the United States. Accordingly, HUD has contracted with the entity to administer certain HUD funds. The entity is a public corporation, legally separate, fiscally independent and governed by Board of Commissioners.

**Housing Authority of the Town of Kaplan
Kaplan, Louisiana**

**Table of Contents
June 30, 2017**

	<u>Page No.</u>
Independent Auditor's Report.....	1-3
Management's Discussion and Analysis.....	4-7
<u>Basic Financial Statements</u>	
Statement of Net Position.....	9
Statement of Revenues, Expenses, and Changes in Net Position.....	10
Statement of Cash Flows.....	11
Reconciliation.....	12
Notes to the Basic Financial Statements.....	13-20
<u>Other Supplemental Statements and Schedules</u>	
Schedule of Compensation Paid to Board Members.....	22
Statement and Certification of Actual Modernization Cost.....	23
Schedule of Compensation Benefits and Other Payments to Agency Head or Chief Executive Officer.....	24
<u>Other Reports</u>	
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 <i>Government Auditing Standards</i>	26-27
Schedule of Findings and Questioned Cost.....	28-29
Management's Corrective Action for Current Year Audit Findings.....	30
Management's Summary of Prior Year Findings.....	31
Louisiana Statewide Agreed Upon Procedures.....	32-43
Financial Data Schedule.....	44

John R. Vercher C.P.A.
jrv@centurytel.net

Jonathan M. Vercher M.S., C.P.A.
jonathanvercher@centurytel.net

David R. Vercher M.B.A., C.P.A., C.F.E.
davidvercher@centurytel.net

THE VERCHER GROUP

*A Professional Corporation of
Certified Public Accountants*

**P.O. Box 1608
1737 N 2nd St. – Suite A
Jena, Louisiana 71342
Tel: (318) 992-6348
Fax: (318) 992-4374**

MEMBERS

American Institute of
Certified Public Accountants

Society of Louisiana
Certified Public Accountants

Association of
Certified Fraud Examiners

INDEPENDENT AUDITOR'S REPORT

Housing Authority of the Town of Kaplan
Kaplan, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Housing Authority of the Town of Kaplan, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Housing Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to 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 business-type activities of the Housing Authority of the Town of Kaplan, as of June 30, 2017, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance 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 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 the Housing Authority of the Town of Kaplan's basic financial statements. The accompanying Financial Data Schedule, required by HUD, and supplementary schedules and statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Financial Data Schedule and supplementary schedules and statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the Financial Data Schedule and supplementary schedules and statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2017, on our consideration of the Housing Authority of the Town of Kaplan'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 Housing Authority of the Town of Kaplan's internal control over financial reporting and compliance.

The Vercher Group

Jena, Louisiana
November 30, 2017

**Housing Authority of the Town of Kaplan
Management's Discussion and Analysis
June 30, 2017**

As management of the Kaplan Housing Authority, we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities to consider the information presented here in conjunction with the Authority's financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$2,309,275 (net position), which is a \$33,860 increase from last year.
- As of the close of the current fiscal year, the Authority's ending unrestricted net position was \$496,778, which is a \$120,118 decrease from last year.
- The Authority's cash and investment balance at June 30, 2017, was \$485,403, of which \$14,750 was restricted for tenant's security deposits.
- The Authority had total operating revenues of \$396,950, total non-operating revenues of \$1,688, and capital contributions of \$196,964, which is a \$195,152 increase from last year's revenues.
- The Authority had total operating expenses of \$561,742, and no non-operating expenses. This amount is an \$68,469 increase from the prior year.
- The Authority had a total change in net position of \$33,860 for the year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as an introduction of the Authority's basic financial statements. The Authority's basic financial statements consist of the Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, Statement of Cash Flows, and the notes to the financial statements.

The Authority has only one fund type, namely a proprietary fund. The Statement of Net Position includes all of the Authority's assets and liabilities. This fund type is used for activities which are financial and operated in a manner similar to those in the private sector.

The authority has two main funding sources in its financial operation. These are the Low Rent Public Housing and Capital Fund Programs. Following is a brief description of each.

Low Rent Public Housing – Under the Conventional Public Housing Program, the housing authority rents units it owns to low-income families. The Conventional Public Housing Program is operated under an Annual Contribution Contract (ACC) with HUD, and HUD provides an Operating Subsidy to enable the authority to provide housing at a rent that is based upon 30% of adjusted gross household income.

**Housing Authority of the Town of Kaplan
Management's Discussion and Analysis - Continued
June 30, 2017**

Capital Fund Program – The Conventional Public Housing Program also includes the Capital Fund Program, the primary funding source for the authority's physical and management improvements. The formula funding methodology is based on size and age of the authority's units.

The Authority's overall financial position and operations for the year is summarized below based on the information in the current and prior year financial statements. The table below lists the Comparative Statement of Net Position as of June 30, 2017.

Statement of Net Position

Assets	FYE 2016	FYE 2017	% Change
Current Assets & Other Assets	\$ 665,525	\$ 541,414	-18.6
Capital Assets, Net	1,658,519	1,812,497	9.3
Total Assets	<u>2,324,044</u>	<u>2,353,911</u>	1.3
 Liabilities			
Current Liabilities	36,683	32,082	-12.5
Non-Current Liabilities	11,946	12,554	5.1
Total Liabilities	<u>48,629</u>	<u>44,636</u>	-8.2
 Net Position			
Net Investment in Capital Assets	1,658,519	1,812,497	9.3
Unrestricted	616,896	496,778	-19.5
Total Net Position	<u>\$ 2,275,415</u>	<u>\$ 2,309,275</u>	1.5

- Total assets increased by \$29,867 or 1.3% from last year. The primary reason for this increase is due to an increase in capital assets in the amount of \$153,978.
- Total liabilities decreased by \$3,993 or 8.2%, mainly due to a decrease in current liabilities in the amount of \$4,601.
- Unrestricted assets decreased by \$120,118 or 19.5%.

**Housing Authority of the Town of Kaplan
Management's Discussion and Analysis - Continued
June 30, 2017**

The table below lists the revenues, expenses, and changes in net position as of June 30, 2016, and June 30, 2017.

Statement of Revenues, Expenses, & Changes in Net Position

	<u>FYE 2016</u>	<u>FYE 2017</u>	<u>% Change</u>
Operating Revenues			
Tenant Revenue	\$ 218,466	\$ 213,654	-2.2
HUD Operating Grants	174,057	183,296	5.3
Total Operating Revenues	<u>392,523</u>	<u>396,950</u>	1.1
Operating Expenses			
Administration	152,354	156,383	2.6
Operation & Maintenance	121,377	172,817	42.4
General Expenses	70,101	82,896	18.3
Utilities	8,346	8,283	-0.8
Tenants	100	100	0.0
Depreciation	140,995	141,263	0.2
Total Operating Expenses	<u>493,273</u>	<u>561,742</u>	13.9
Operating Income (Loss)	<u>(100,750)</u>	<u>(164,792)</u>	63.6
Non-Operating Revenues (Expenses)			
Interest	1,137	979	-13.9
Other Revenue	248	709	185.9
Total Non-Operating Revenues (Expenses)	<u>1,385</u>	<u>1,688</u>	21.9
Capital Contributions	6,542	196,964	2,910.8
Changes in Net Position	(92,823)	33,860	-136.5
Beginning Net Position	<u>2,368,238</u>	<u>2,275,415</u>	-3.9
Ending Net Position	<u>\$ 2,275,415</u>	<u>\$ 2,309,275</u>	1.5

- Total operating revenues increased by \$4,427 or 1.1%. The primary reason for this increase is because of an increase in HUD operating grants in the amount of \$9,239.
- Total expenses increased by \$68,469 or 13.9%. This increase is due to an increase in operation and maintenance in the amount of \$51,440.

**Housing Authority of the Town of Kaplan
Management's Discussion and Analysis - Continued
June 30, 2017**

Capital Asset & Debt Administration

Capital Assets

As of June 30, 2017, the Authority's investment in capital assets was \$1,812,497 (net of accumulated depreciation). This investment includes land, building improvements, dwelling equipment, and maintenance equipment.

	<u>2016</u>		<u>2017</u>
Land*	\$ 162,549	\$	162,549
Buildings & Improvements	4,639,514		4,941,297
Furniture & Equipment	13,531		13,531
Construction in Progress	6,542		-0-
Less Accumulated Depreciation	(3,163,617)		(3,304,880)
Capital Assets, Net	<u>\$ 1,658,519</u>	\$	<u>1,812,497</u>

* Land in the amount of \$162,549 is not being depreciated.

Long Term Debt

The Authority does not have any long-term liabilities at this time.

Future events that will impact the Authority

The Authority relies heavily upon HUD operating subsidies. The amount appropriated has not currently been approved for the FYE 2018. Therefore, any results of budget shortfalls cannot be determined.

Contacting the Authority's Finance Management

The financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the following address:

Housing Authority of the Town of Kaplan
PO Box 246
Kaplan, LA 70548

Basic Financial Statements

**Housing Authority of the Town of Kaplan
Kaplan, Louisiana
Statement of Net Position
June 30, 2017**

ASSETS	ENTERPRISE FUND
CURRENT ASSETS:	
Cash & Cash Equivalents	\$ 160,643
Investments	310,010
Accounts Receivable, Net	563
Inventories, Net	14,383
Prepaid Items	41,065
TOTAL CURRENT ASSETS	<u>526,664</u>
RESTRICTED ASSETS	
Cash Tenants' Security Deposits	<u>14,750</u>
TOTAL RESTRICTED ASSETS	<u>14,750</u>
NON-CURRENT ASSETS:	
Capital Assets (Net of Accumulated Depreciation)	<u>1,812,497</u>
TOTAL NON-CURRENT ASSETS	<u>1,812,497</u>
TOTAL ASSETS	<u>2,353,911</u>
LIABILITIES	
CURRENT LIABILITIES	
Accounts Payable	2,268
Accrued Wages/Taxes Payable	6,935
Accrued Compensated Absences	7,043
Tenant Security Deposits (Payable from Restricted Assets)	14,750
Pre-Paid Rents	1,086
TOTAL CURRENT LIABILITIES	<u>32,082</u>
NON-CURRENT LIABILITIES	
Accrued Compensated Absences	<u>12,554</u>
TOTAL NON-CURRENT LIABILITIES	<u>12,554</u>
TOTAL LIABILITIES	<u>44,636</u>
NET POSITION	
Net Investment in Capital Assets	1,812,497
Unrestricted	496,778
TOTAL NET POSITION	<u>\$ 2,309,275</u>

The accompanying notes are an integral part of this statement.

**Housing Authority of the Town of Kaplan
Kaplan, Louisiana
Statement of Revenues, Expenses, & Changes in Net Position
Year Ended June 30, 2017**

	ENTERPRISE FUND
OPERATING REVENUES	
Tenant Rental Revenue	\$ 208,395
Tenant Revenue Other	5,259
HUD PHA Operating Grant	183,296
TOTAL OPERATING REVENUES	396,950
 OPERATING EXPENSES	
<i>Administration:</i>	
Administrative Salaries	76,931
EBC Administrative	43,204
Other Operating - Administrative	36,248
Tenant Services	100
<i>Cost of Sales & Service:</i>	
Water	715
Electricity	5,938
452Gas	452
Other Utilities	1,178
Ordinary Maintenance – Labor	62,273
Materials	28,576
Contract Cost	54,325
EBC Maintenance	27,643
Insurance	68,035
Bad Debt-Tenant’s Rent	2,368
Compensated Absences	12,072
Other General	421
<i>Depreciation</i>	141,263
TOTAL OPERATING EXPENSES	561,742
 OPERATING INCOME (LOSS)	(164,792)
 NONOPERATING REVENUES (EXPENSES)	
Interest Earnings	979
Other Revenue	709
TOTAL NONOPERATING REVENUES (EXPENSES)	1,688
 Capital Contributions	196,964
 CHANGE IN NET POSITION	33,860
 TOTAL NET POSITION – BEGINNING	2,275,415
TOTAL NET POSITION - ENDING	\$ 2,309,275

The accompanying notes are an integral part of this statement.

**Housing Authority of the Town of Kaplan
Kaplan, Louisiana
Statement of Cash Flows
Year Ended June 30, 2017**

	ENTERPRISE FUND
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Customers & Users	\$ 212,444
Receipts from Operating Subsidy	183,296
Payments to Suppliers	(282,102)
Payments to Employees	(139,464)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(25,826)
 CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Other Revenue	709
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	709
 CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES	
Capital Grants	196,964
Acquisition & Construction of Capital Assets	(295,241)
NET CASH PROVIDED (USED) BY CAPITAL & RELATED FINANCING ACTIVITIES	(98,277)
 CASH FLOWS FROM INVESTING ACTIVITIES	
Interest & Dividends Received	979
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	979
 NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS	(122,415)
 CASH, BEGINNING OF YEAR	297,808
CASH, END OF YEAR	175,393
 RECONCILIATION TO BALANCE SHEET	
Cash and Cash Equivalents	160,643
Tenants' Security Deposits	14,750
TOTAL CASH & CASH EQUIVALENTS	\$ 175,393

The accompanying notes are an integral part of this statement.

**Housing Authority of the Town of Kaplan
Kaplan, Louisiana
Statement of Cash Flows
Year Ended June 30, 2017**

Reconciliation

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH
PROVIDED (USED) BY OPERATING ACTIVITIES**

Operating Income (Loss)	\$ <u>(164,792)</u>
Depreciation Expense	141,263
(Increase) Decrease in Accounts Receivable, Net	675
(Increase) Decrease in Prepaid Items	3,047
(Increase) Decrease in Inventories, Net	(2,026)
Increase (Decrease) in Accounts Payable	(1,848)
Increase (Decrease) in Accrued Compensated Absences	1,079
Increase (Decrease) in Accrued Payroll/Taxes Payable	(1,339)
Increase (Decrease) in Tenant Security Deposits	339
Increase (Decrease) in Prepaid Rents	<u>(2,224)</u>
TOTAL ADJUSTMENTS	<u>138,966</u>
 NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	 <u><u>(25,826)</u></u>
 LISTING OF NONCASH INVESTING, CAPITAL, & FINANCIAL ACTIVITIES	
Contributions of Capital Assets From Government	\$ <u>-0-</u>

The accompanying notes are an integral part of this statement.

**Housing Authority of the Town of Kaplan
Kaplan, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

INTRODUCTION

The Housing Authority of the Town of Kaplan is an 86 unit apartment complex for persons of low income located in Kaplan, Louisiana. The Authority is chartered as a public corporation for the purpose of administering decent, safe, and sanitary dwelling for persons of low-income.

Legal title to the Authority is held by the Housing Authority of the Town of Kaplan, Louisiana, a non-profit corporation. The Authority is engaged in the acquisition, modernization, and administration of low-rent housing. The Authority is administered by a governing Board of Commissioners (the Board), whose members are appointed by the Mayor of Kaplan, Louisiana. Each member serves a four-year term and receives no compensation for their services. Substantially all of the Authority's revenue is derived from subsidy contracts with the U. S. Department of Housing and Urban Development (HUD). The annual contributions contracts entered into by the Authority and HUD provide operating subsidies for Authority-owned public housing facilities for eligible individuals.

Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low-income housing programs in the United States. Accordingly, HUD has entered into a contract with the entity to make annual contributions (subsidies) for the purpose of funding its programs for low-income families.

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the Housing Authority is legally separated and fiscally independent, the Housing Authority is a separate governmental reporting entity. The Housing Authority includes all funds, account groups, activities, etc., that are within the oversight responsibility of the Housing Authority.

The Housing Authority is a related organization of the Town of Kaplan because the Town of Kaplan appoints a voting majority of the Housing Authority's governing board. The Town of Kaplan is not financially responsible for the Housing Authority, as it cannot impose its will on the Housing Authority and there is no possibility for the Housing Authority to provide financial benefit to, or impose financial burdens on, the Town of Kaplan. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the Town of Kaplan.

BASIS OF PRESENTATION

As required by Louisiana State Reporting Law (LSA-R.S. 24:514) and HUD regulations, financial statements are presented in accordance with accounting principles generally accepted in the United States of America.

The accounts of the PHA are accounted for under the proprietary fund. Accordingly, the accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America applied to governmental units.

**Housing Authority of the Town of Kaplan
Kaplan, Louisiana**

**Notes to the Basic Financial Statements - (Continued)
June 30, 2017**

Proprietary Fund Type – Proprietary fund is accounted for on the flow of economic resources measurement focuses and uses the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The PHA applies all applicable FASB pronouncements in accounting and reporting for its proprietary operations. The PHA’s funds include the following type:

Enterprise Fund – Enterprise fund is used to account for those operations that are financed and operated in a manner similar to private business or where the board has decided that the determination of revenues earned, costs incurred, and/or net income is necessary for management accountability.

1. SUMMARY OF ORGANIZATION & SIGNIFICANT ACCOUNTING POLICIES

A. BASIC FINANCIAL STATEMENTS

The basic financial statements (i.e., the Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position) report information on all of the activities of the authority.

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, & FINANCIAL STATEMENT PRESENTATION

The basic financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

GASB Statement No. 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

As a general rule, the effect of Interfund activity has been eliminated from the basic financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government’s enterprise operations. Elimination of these charges would distort the direct cost and program revenues reported for the various functions concerned.

Operating revenues and expenses have been reported separately from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund’s principal ongoing operations. The primary operating revenue of the housing authority is derived from tenant revenue. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Housing Authority of the Town of Kaplan
Kaplan, Louisiana**

**Notes to the Basic Financial Statements - (Continued)
June 30, 2017**

When both restricted and unrestricted resources are available for use, it is the housing authority's policy to use restricted resources first, then unrestricted resources as they are needed.

C. EQUITY CLASSIFICATIONS

In the government-wide financial statements, equity is classified as Net Position and displayed in three components as applicable. The components are as follows:

Net Investment in Capital Assets - Capital assets including restricted capital assets, when applicable, net of accumulated depreciation.

Restricted Net Position - Net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.

Unrestricted Net Position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets".

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies restricted resources first. The policy concerning which to apply first varies with the intended use and legal requirements. The decision is typically made by management at the incurrence of the expense.

D. DEPOSITS & INVESTMENTS

The Housing Authority's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the Housing Authority's investment policy allow the Housing Authority to invest in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

Investments (bank certificate of deposits in excess of 90 days) for the housing authority are reported at fair value.

E. RECEIVABLES & PAYABLES

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year referred to as either "due to/from other funds" (i.e., the current portion of Interfund loans) or "advances to/from other funds" (i.e., the non-current portion of Interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

**Housing Authority of the Town of Kaplan
Kaplan, Louisiana**

**Notes to the Basic Financial Statements - (Continued)
June 30, 2017**

Advances between funds, as reported in the accompanying basic financial statements, are offset by a restriction on net position. All trade and other receivables are shown net of an allowance for uncollectives.

F. INVENTORIES & PREPAID ITEMS

All inventories are valued at cost using the first-in/first out method. Inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

G. CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable columns in the government-wide financial statements. Capital assets are capitalized at historical cost. The housing authority maintains a threshold level of \$500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense included during the current fiscal year was \$-0-. Of this amount, \$-0- was included as part of the cost of capital assets under construction in connection with construction projects.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Land Improvements	20 years
Buildings	20 years
Building Improvements	10 years
Furniture & Fixtures	5 years
Vehicles	5 years
Equipment	5 years

H. EXTRAORDINARY & SPECIAL ITEMS

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the housing authority, which are either unusual in nature or infrequent in occurrence.

**Housing Authority of the Town of Kaplan
Kaplan, Louisiana**

**Notes to the Basic Financial Statements - (Continued)
June 30, 2017**

I. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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. COMPENSATED ABSENCES

The Housing Authority follows Louisiana Civil Service regulations for accumulated annual and sick leave. Employees may accumulate up to three hundred hours of annual leave which may be received upon termination or retirement. Sick leave hours accumulate, but the employee is not paid for them if not used by his/her retirement or termination date.

2. CASH & INVESTMENTS (CD'S IN EXCESS OF 90 DAYS)

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. 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 held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Entity that the fiscal agent bank has failed to pay deposit funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Entity's name.

At June 30, 2017, the housing authority has cash and investments (bank balances) totaling \$491,221 as follows:

Demand deposits	\$	181,211
Time deposits		310,010
Total	\$	<u>491,221</u>

**Housing Authority of the Town of Kaplan
Kaplan, Louisiana**

**Notes to the Basic Financial Statements - (Continued)
June 30, 2017**

These deposits are stated at cost, which approximated 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 held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Deposits

It is the housing authority’s policy for deposits to be 100% secured by collateral at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The housing authority’s deposits are categorized to give an indication of the level of risk assumed by the housing authority at year end. The categories are described as follows:

- ***Category 1*** – Insured or collateralized with securities held by the housing authority or by its agent in the housing authority’s name.
- ***Category 2*** – Collateralized with securities held by the pledging financial institution’s trust department or agent in the housing authority’s name.
- ***Category 3*** – Uncollateralized.

Amounts on deposit are secured by the following pledges:

Description	Vermilion Bank	Kaplan Bank	Total
FDIC (Category 1)	\$ 181,211	\$ 250,000	\$ 431,211
Securities (Category 2)	614,298	288,644	902,942
Total Securities	\$ 795,509	\$ 538,644	\$ 1,334,153

Deposits were fully secured as of June 30, 2017.

**Housing Authority of the Town of Kaplan
Kaplan, Louisiana**

**Notes to the Basic Financial Statements - (Continued)
June 30, 2017**

3. CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2017, was as follows:

	<u>Beginning Balance</u>		<u>Additions</u>		<u>Deletions</u>		<u>Ending Balance</u>
Land *	\$ 162,549	\$	-0-	\$	-0-	\$	162,549
Buildings & Leasehold Improvements	4,639,514		301,783		-0-		4,941,297
Furniture & Equipment, Etc.	13,531		-0-		-0-		13,531
Construction in Progress	6,542		-0-		(6,542)		-0-
Total Capital Assets	<u>4,822,136</u>		<u>301,783</u>		<u>(6,542)</u>		<u>5,117,377</u>
Less Accumulated Depreciation	<u>(3,163,617)</u>		<u>(141,263)</u>		<u>-0-</u>		<u>(3,304,880)</u>
Net Capital Assets	<u>\$ 1,658,519</u>	\$	<u>160,520</u>	\$	<u>(6,542)</u>	\$	<u>1,812,497</u>

* Land in the amount of \$162,549 is not being depreciated.

4. ACCOUNTS, SALARIES & OTHER PAYABLES

The payables of \$17,332 at June 30, 2017, are as follows:

Pre-Paid Rents	\$ 1,086
Accounts Payable	2,268
Accrued Wages/Taxes Payable	6,935
Accrued Compensated Absences (Current Portion)	7,043
Total	<u>\$ 17,332</u>

5. RETIREMENT SYSTEMS

The Housing Authority provides benefits for all full-time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. The entity contributes 6.0% of the employee's effective compensation. The housing authority's contributions for each employee (and interest allocated to the employee account) vest at 20% annually for each year of participation. An employee is fully vested after 5 years of participation.

**Housing Authority of the Town of Kaplan
Kaplan, Louisiana**

**Notes to the Basic Financial Statements - (Continued)
June 30, 2017**

The housing authority's total payroll for the fiscal year ending June 30, 2017, was \$109,782. The housing authority's contributions were calculated using the base salary amount of \$109,782. Contributions to the plan were \$27,220 for the year ended June 30, 2017, of which \$19,363 was paid by the housing authority and \$7,857 was paid by employees.

6. CONTINGENT LIABILITIES

At June 30, 2017, the housing authority is subject to possible examinations made by federal regulators who determine compliance with terms, conditions, laws and regulations governing grants given to the housing authority in the current and prior years. These examinations may result in required refunds by the housing authority to federal grantors and/or program beneficiaries.

7. COMPENSATED ABSENCES

The housing authority has the following policy relating to vacation and sick leave:

The authority follows the civil service guidelines for vacation and sick leave. Employee's time is accumulated in accordance to hours worked per month. At year-end, time not used is accumulated.

The following is a summary of changes in compensated absences payable at June 30, 2017:

	<u>Current</u>		<u>Noncurrent</u>		<u>Total</u>
Beginning of year	\$ 6,572	\$	\$ 11,946	\$	\$ 18,518
Additions/(Retirements)	471		608		1,079
End of year	<u>\$ 7,043</u>	\$	<u>\$ 12,554</u>	\$	<u>\$ 19,597</u>

At June 30, 2017, employees of the PHA have accumulated and vested \$19,597 of employee leave benefits, computed in accordance with GASB Codification Section C60. The balance of accrued compensated absences at June 30, 2017, was \$7,043 recorded as current obligation and \$12,554 recorded as non-current obligation.

8. ECONOMIC DEPENDENCY

Statement of Financial Accounting Standard (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenues. The Department of Housing & Urban Development provided \$380,260 to the housing authority, which represents approximately 63.7% of the housing authority's revenue for the year.

**Other Supplemental Statements
& Schedules**

**Housing Authority of the Town of Kaplan
Kaplan, Louisiana
Schedule of Compensation Paid to Board Members
Year Ended June 30, 2017**

<u>Board Member</u>	<u>Title</u>
Joseph B. Pere	Chairman
Denny Gaspard	Vice Chairman
Lynn Toups	Commissioner
Lucy Comeaux	Commissioner
Erica Cormier	Commissioner

The board members were paid no compensation for their services.

**Housing Authority of the Town of Kaplan
Kaplan, Louisiana
Statement and Certification of Actual Modernization Cost
Annual Contribution Contract**

	<u>Complete Project CFP 2014-501</u>	<u>Complete Project CFP 2015-501</u>	<u>Incomplete Project CFP 2016-501</u>	<u>Total</u>
The Actual Modernization Costs Are As Follows:				
1. Funds Approved	\$ 103,817	\$ 104,805	\$ 110,524	\$ 319,146
Funds Expended	<u>(103,817)</u>	<u>(104,805)</u>	<u>-0-</u>	<u>(208,622)</u>
Excess of Funds Approved	<u>-0-</u>	<u>-0-</u>	<u>110,524</u>	<u>110,524</u>
2. Funds Advanced	103,817	104,817	-0-	208,622
Funds Expended	<u>(103,817)</u>	<u>(104,805)</u>	<u>-0-</u>	<u>(208,622)</u>
Excess of Funds Advanced	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

The accompanying notes are an integral part of this statement.

**Housing Authority of the Town of
Kaplan, Louisiana**

**Schedule of Compensation Benefits and Other Payments
to Agency Head or Chief Executive Officer
For the Year Ended June 30, 2017**

Deborah Hargrave, Executive Director

Purpose	Amount
Salary	\$ 47,611
Benefits-Insurance	14,494
Benefits-Retirement	4,047
Benefits (Expense Allowance)	-0-
Car Allowance	-0-
Vehicle Provided by Government	-0-
Per Diem	-0-
Reimbursements	-0-
Travel	501
Registration Fees	180
Conference Travel	374
Continuing Professional Education Fees	-0-
Housing	-0-
Un-vouchered Expenses*	-0-
Special Meals	\$ -0-

*An example of an un-vouchered expense would be a travel advance.

See independent auditors report



Other Reports

John R. Vercher C.P.A.
jrv@centurytel.net

Jonathan M. Vercher M.S., C.P.A.
jonathanvercher@centurytel.net

David R. Vercher M.B.A., C.P.A., C.F.E.
davidvercher@centurytel.net

THE VERCHER GROUP

*A Professional Corporation of
Certified Public Accountants*

**P.O. Box 1608
1737 N 2nd St. – Suite A
Jena, Louisiana 71342
Tel: (318) 992-6348
Fax: (318) 992-4374**

MEMBERS

American Institute of
Certified Public Accountants

Society of Louisiana
Certified Public Accountants

Association of
Certified Fraud Examiners

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*

Housing Authority of the Town of Kaplan
Kaplan, 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 business-type activities of the Housing Authority of the Town of Kaplan, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Housing Authority of the Town of Kaplan's basic financial statements, and have issued our report thereon dated November 30, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Housing Authority of the Town of Kaplan'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 the Housing Authority of the Town of Kaplan's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the Town of Kaplan's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority of the Town of Kaplan'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.

This report is intended solely for the information and use of the audit committee, management, federal awarding agencies and Legislative Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a public document and its distribution is not limited.

The Vercher Group

Jena, Louisiana
November 30, 2017

**HOUSING AUTHORITY OF THE TOWN OF KAPLAN
KAPLAN, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST
For the Year Ended June 30, 2017**

We have audited the basic financial statements which collectively comprise the Housing Authority of the Town of Kaplan, Louisiana, as of and for the year ended June 30, 2017, and have issued our report thereon dated November 30, 2017. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Section I – Summary of Auditor’s Results

Our audit of the basic financial statements as of June 30, 2017, resulted in an unmodified opinion.

a. Report on Internal Control and Compliance Material to the Basic Financial Statements

Internal Control

Material Weaknesses Yes No Significant Deficiencies Yes No

Compliance

Compliance Material to Basic Financial Statements Yes No

b. Federal Awards (Not Applicable)

Internal Control

Material Weaknesses Yes No Other Conditions Yes No

Type of Opinion on Compliance Unqualified Qualified
For Major Programs Disclaimer Adverse

Are the findings required to be reported in accordance with Uniform Guidance?

Yes No

c. Identification of Major Programs:

CFDA Number (s)	Name of Federal Program (or Cluster)
------------------------	---

Dollar threshold used to distinguish between Type A and Type B Programs:

Is the auditee a ‘low-risk’ auditee, as defined by OMB Uniform Guidance? Yes No

**HOUSING AUTHORITY OF THE TOWN OF KAPLAN
KAPLAN, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST
For the Year Ended June 30, 2017**

Section II – Financial Statement Findings

No findings.

Section III – Federal Awards Findings and Questioned Costs.

Not applicable.

**HOUSING AUTHORITY OF THE TOWN OF KAPLAN
KAPLAN, LOUISIANA**

**MANAGEMENT'S CORRECTIVE ACTION
FOR CURRENT YEAR AUDIT FINDINGS**

Findings

None

**HOUSING AUTHORITY OF THE TOWN OF KAPLAN
KAPLAN, LOUISIANA**

**MANAGEMENT'S SUMMARY
OF PRIOR YEAR FINDINGS**

Legislative Auditor
State of Louisiana
Baton Rouge, Louisiana 70804-9397

The management of the Housing Authority of the Town of Kaplan, Louisiana has provided the following action summaries relating to audit findings brought to their attention as a result of their financial audit for the year ended June 30, 2016.

PRIOR YEAR FINDINGS

No findings.

John R. Vercher C.P.A.
jrv@centurytel.net

Jonathan M. Vercher M.S., C.P.A.
jonathanvercher@centurytel.net

David R. Vercher M.B.A., C.P.A., C.F.E.
davidvercher@centurytel.net

THE VERCHER GROUP

*A Professional Corporation of
Certified Public Accountants*

**P.O. Box 1608
1737 N 2nd St. – Suite A
Jena, Louisiana 71342
Tel: (318) 992-6348
Fax: (318) 992-4374**

MEMBERS

American Institute of
Certified Public Accountants

Society of Louisiana
Certified Public Accountants

Association of
Certified Fraud Examiners

AGREED-UPON PROCEDURES REPORT

Housing Authority of the Town of Kaplan, Louisiana

Independent Accountant's Report

On Applying Agreed-Upon Procedures

For the Period of July 1, 2016- June 30, 2017

Housing Authority of the Town of
Kaplan, Louisiana

To the Housing Authority of the Town of Kaplan and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Kaplan Housing Authority and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2016 through June 30, 2017. The Entity's management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain 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. Note: Ethics requirements are not applicable to nonprofits.
 - j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Observation: We obtained a copy of the written policies and procedures manual and read it for the above items. The document addressed all of the above items except debt service.

Exception: The document did not address debt service.

Management's Response: The document did not address debt service because the Entity has no debt. The document will be updated to include debt service.

Board (or Finance Committee, if applicable)

2. 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).
 - If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.
- 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.

Observation:

- A) **We read the minutes of the board meeting and found the board meets quarterly.**
- B) **Budget-to-actual comparisons are not presented at each meeting.**
- C) **Minutes included non-budgetary financial information such as contract approvals and disbursement approvals.**

Exception: Budget-to-actual comparisons are not documented in the minutes.

Management's Response: Budget-to-actual comparisons are reviewed at each meeting by the board and it will be documented in the minutes of each meeting.

Bank Reconciliations

- 3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.
- 4. 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 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* 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 6 months as of the end of the fiscal period.

Observation: We obtained a listing of bank accounts on bank confirmations and management signed the confirmations to represent the listings were complete.

- A) **Bank reconciliations are prepared for all bank accounts that have activity.**
- B) **Bank reconciliations are prepared by an outside accounting firm and are reviewed by the Executive Director.**
- C) **Inquiry found the entity reviews old outstanding checks on a regular basis.**

Collections

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

Observation: We obtained the listing and management's representation that the listing is complete.

6. 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 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.*

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 and:
 - 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.
 - 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.

Observation:

A) We found that 1) all employees are bonded, 2) the Executive Director is responsible for depositing cash in the bank and 3) the Entity has a collection tray for each employee.

B) The Entity has a formal process of reconciling cash collections to the general ledger.

C) We traced daily collections to the deposit date on the corresponding bank statement and deposits were made daily.

7. 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.

Observation: The Entity has a policy and procedure manual that addresses collection procedures. Inquiry found that the employee responsible for collections is not the same employee responsible for determining completeness.

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

8. 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.

Observation: We obtained a general ledger from the Entity and management’s representation that the general ledger population is complete.

9. Using the disbursement population from #8 above, 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 (1) 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.

Observation: We randomly selected 25 disbursements and obtained supporting documentation of the following:

- A) Purchases were initiated using a requisition system.**
- B) Purchases are not approved by a person not initiating the purchase.**
- C) Purchases are not processed without an approved invoice.**

Exception: Purchases are not approved by a person not initiating the purchase.

Management’s Response: The Entity does not have the personnel to implement this procedure.

10. Using entity 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.

Observation: Inquiry found that the person responsible for processing payments is not prohibited from adding vendors to the Entity’s purchasing/disbursement system.

Exception: The person responsible for processing payments is not prohibited from adding vendors to the Entity’s purchasing/disbursement system.

Management's Response: Management does not have the personnel to implement this procedure.

11. 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.

Observation: The Board has the final authorization for disbursements and has no responsibility for initiating or recording purchases.

12. 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.

Observation: Inquiry and observation found that unused checks are locked in a secure location.

13. 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.

Not applicable.

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

14. 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.

Observation: Management provided a listing of all (cards) and management's representation that the list is complete.

15. 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.

Observation: The Entity has (3) three Credit/Debit/Fuel cards.

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. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]
- b) Report whether finance charges and/or late fees were assessed on the selected statements.

Observation: We obtained the monthly statement for June 2017 and tested it for the following:

- A) The statement was reviewed and approved by the authorized card holder.**
- B) There were no finance charges on the statement.**

16. Using the monthly statements or combined statements selected under #15 above, 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.

Observation: We tested the highest month statements for the following:

- A) Itemized receipt and documentation of the business purpose.**
- B) Compared each transaction with the Entity's written purchasing/ disbursement policies and the Louisiana Public Bid Law.**
- C) Documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution.**

Travel and Expense Reimbursement

17. 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.

Observation: Management provided a general ledger and management's representation that the general ledger is complete.

18. 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.

Observation: We obtained the Entity's written policies relating to travel and related expense reimbursements and compared it to the per diem and mileage rates established by the U.S. General Services Administration.

19. Using the listing or general ledger from #17 above, 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 (#18 above) 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.

Observation: We selected the only person (Executive Director) who incurred travel cost during the fiscal period and chose the largest travel expense and largest reimbursement expense.

- A) We compared to written policies and found it to be correct.**
- B) Each expense is supported by documentation stating the purpose and a receipt where applicable.**
- C) Compared documentation of the business purposes to the requirements of Article 7, Section 14 of Louisiana Constitution and found no exceptions.**
- D) Each expense was approved by the Board which signs all checks which constitutes approval in writing.**

Contracts

20. 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.

Observation: We obtained a general ledger from management and management's representation that the general ledger is complete.

21. 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).

Observation: We found that the Entity had 4 contracts during the fiscal year.

- A) There was a formal/written contract that supports the services arrangement and the amount paid.**
- B) All contracts (when required) followed the Louisiana Public Bid Law or Procurement Code. We reviewed all supporting contracts. The Entity solicited bids on all contracts.**
- C) No Amendments.**
- D) We selected the largest payment from each of the five contracts and compared the invoice to the contract terms.**
- E) All contracts are approved by the board and documented in the board minutes.**

Payroll and Personnel

22. 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.

Observation: We selected all 4 employees and tested as follows:

A. We reviewed compensation of each employee during the fiscal period and found the payments were made in accordance with the terms and conditions of the employment contract.

B. None of the employees received a pay rate change during the audit period.

23. 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.

Observation: We tested 4 (all) employee's personnel files for the following:

A) All selected employees documented their daily attendance and leave.

B) Employees had written approval for attendance and leave.

C) Written documentation was maintained on all employees with the exception of elected officials who do not receive pay.

24. 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.

Observation: The Entity had no terminations in the fiscal year.

25. 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.

Observation: We reviewed forms 941 and the general ledger accrual accounts and found no delinquent payments. The Entity has an outside fee accountant prepare all payroll related reports.

Ethics (excluding nonprofits)

26. Using the five randomly selected employees/officials from procedure #22 under “Payroll and Personnel” above, obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed.

Observation: The Entity maintained documentation of ethics compliance.

27. 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.

Observation: Inquiry found no alleged ethics violations reported to the entity during the fiscal year.

Debt Service (excluding nonprofits)

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

Not applicable; no debt.

29. 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.

Not Applicable; no debt.

30. If the entity had tax mileages 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 mileages that continue to be received for debt that has been paid off.

Not applicable.

Other

31. 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.

Observation: Inquiry found no reported misappropriations of public funds.

32. 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.gov/hotline) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

Observation: The Entity has the notice posted on its' premises.

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

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

The Vercher Group

Jena, Louisiana

November 30, 2017

Financial Data Schedule

Housing Authority of Kaplan (LA026)
KAPLAN, LA
Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2017

	Project Total	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$160,643	\$160,643	\$0	\$160,643
112 Cash - Restricted - Modernization and Development	\$0	\$0	\$0	\$0
113 Cash - Other Restricted	\$0	\$0	\$0	\$0
114 Cash - Tenant Security Deposits	\$14,750	\$14,750	\$0	\$14,750
115 Cash - Restricted for Payment of Current Liabilities	\$0	\$0	\$0	\$0
100 Total Cash	\$175,393	\$175,393	\$0	\$175,393
121 Accounts Receivable - PHA Projects	\$0	\$0	\$0	\$0
122 Accounts Receivable - HUD Other Projects	\$0	\$0	\$0	\$0
124 Accounts Receivable - Other Government	\$0	\$0	\$0	\$0
125 Accounts Receivable - Miscellaneous	\$0	\$0	\$0	\$0
126 Accounts Receivable - Tenants	\$748	\$748	\$0	\$748
126.1 Allowance for Doubtful Accounts - Tenants	-\$363	-\$363	\$0	-\$363
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$0	\$0	\$0	\$0
128 Fraud Recovery	\$0	\$0	\$0	\$0
128.1 Allowance for Doubtful Accounts - Fraud	\$0	\$0	\$0	\$0
129 Accrued Interest Receivable	\$178	\$178	\$0	\$178
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$563	\$563	\$0	\$563

Housing Authority of Kaplan (LA026)
KAPLAN, LA
Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2017

131 Investments - Unrestricted	\$310,010	\$310,010	\$0	\$310,010
132 Investments - Restricted	\$0	\$0	\$0	\$0
135 Investments - Restricted for Payment of Current Liability	\$0	\$0	\$0	\$0
142 Prepaid Expenses and Other Assets	\$41,065	\$41,065	\$0	\$41,065
143 Inventories	\$15,981	\$15,981	\$0	\$15,981

	Project Total	Subtotal	ELIM	Total
143.1 Allowance for Obsolete Inventories	-\$1,598	-\$1,598	\$0	-\$1,598
144 Inter Program Due From	\$0	\$0	\$0	\$0
145 Assets Held for Sale	\$0	\$0	\$0	\$0
150 Total Current Assets	\$541,414	\$541,414	\$0	\$541,414
161 Land	\$162,549	\$162,549	\$0	\$162,549
162 Buildings	\$4,941,297	\$4,941,297	\$0	\$4,941,297
163 Furniture, Equipment & Machinery - Dwellings	\$0	\$0	\$0	\$0
164 Furniture, Equipment & Machinery - Administration	\$13,531	\$13,531	\$0	\$13,531
165 Leasehold Improvements	\$0	\$0	\$0	\$0
166 Accumulated Depreciation	-\$3,304,880	-\$3,304,880	\$0	-\$3,304,880
167 Construction in Progress	\$0	\$0	\$0	\$0
168 Infrastructure	\$0	\$0	\$0	\$0

Housing Authority of Kaplan (LA026)
KAPLAN, LA
Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2017

160 Total Capital Assets, Net of Accumulated Depreciation	\$1,812,497	\$1,812,497	\$0	\$1,812,497
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0	\$0	\$0	\$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past	\$0	\$0	\$0	\$0
173 Grants Receivable - Non Current	\$0	\$0	\$0	\$0
174 Other Assets	\$0	\$0	\$0	\$0
176 Investments in Joint Ventures	\$0	\$0	\$0	\$0
180 Total Non-Current Assets	\$1,812,497	\$1,812,497	\$0	\$1,812,497
200 Deferred Outflow of Resources	\$0	\$0	\$0	\$0
290 Total Assets and Deferred Outflow of Resources	\$2,353,911	\$2,353,911	\$0	\$2,353,911

	Project Total	Subtotal	ELIM	Total
311 Bank Overdraft	\$0	\$0	\$0	\$0
312 Accounts Payable <= 90 Days	\$1,672	\$1,672	\$0	\$1,672
313 Accounts Payable >90 Days Past Due	\$0	\$0	\$0	\$0
321 Accrued Wage/Payroll Taxes Payable	\$6,935	\$6,935	\$0	\$6,935
322 Accrued Compensated Absences - Current Portion	\$7,043	\$7,043	\$0	\$7,043
324 Accrued Contingency Liability	\$0	\$0	\$0	\$0

Housing Authority of Kaplan (LA026)
KAPLAN, LA
Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2017

325	Accrued Interest Payable	\$0	\$0	\$0	\$0
331	Accounts Payable - HUD PHA Programs	\$0	\$0	\$0	\$0
332	Account Payable - PHA Projects	\$0	\$0	\$0	\$0
333	Accounts Payable - Other Government	\$0	\$0	\$0	\$0
341	Tenant Security Deposits	\$14,750	\$14,750	\$0	\$14,750
342	Unearned Revenue	\$1,086	\$1,086	\$0	\$1,086
343	Current Portion of Long-term Debt - Capital	\$0	\$0	\$0	\$0
344	Current Portion of Long-term Debt - Operating Borrowings	\$0	\$0	\$0	\$0
345	Other Current Liabilities	\$0	\$0	\$0	\$0
346	Accrued Liabilities - Other	\$596	\$596	\$0	\$596
347	Inter Program - Due To	\$0	\$0	\$0	\$0
348	Loan Liability - Current	\$0	\$0	\$0	\$0
310	Total Current Liabilities	\$32,082	\$32,082	\$0	\$32,082
351	Long-term Debt, Net of Current - Capital Projects/Mortgage	\$0	\$0	\$0	\$0
352	Long-term Debt, Net of Current - Operating Borrowings	\$0	\$0	\$0	\$0
353	Non-current Liabilities - Other	\$0	\$0	\$0	\$0
354	Accrued Compensated Absences - Non Current	\$12,554	\$12,554	\$0	\$12,554
355	Loan Liability - Non Current	\$0	\$0	\$0	\$0
356	FASB 5 Liabilities	\$0	\$0	\$0	\$0

Housing Authority of Kaplan (LA026)
 KAPLAN, LA
Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2017

	Project Total	Subtotal	ELIM	Total
357 Accrued Pension and OPEB Liabilities	\$0	\$0	\$0	\$0
350 Total Non-Current Liabilities	\$12,554	\$12,554	\$0	\$12,554
300 Total Liabilities	\$44,636	\$44,636	\$0	\$44,636
400 Deferred Inflow of Resources				
508.4 Net Investment in Capital Assets	\$1,812,497	\$1,812,497		\$1,812,497
511.4 Restricted Net Position				
512.4 Unrestricted Net Position	\$496,778	\$496,778		\$496,778
513 Total Equity - Net Assets / Position	\$2,309,275	\$2,309,275	\$0	\$2,309,275
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$2,353,911	\$2,353,911	\$0	\$2,353,911

Housing Authority of Kaplan (LA026)
 KAPLAN, LA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2017

	Project Total	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$208,395	\$208,395	\$0	\$208,395
70400 Tenant Revenue - Other	\$5,259	\$5,259	\$0	\$5,259
70500 Total Tenant Revenue	\$213,654	\$213,654	\$0	\$213,654
70600 HUD PHA Operating Grants	\$183,296	\$183,296	\$0	\$183,296
70610 Capital Grants	\$196,964	\$196,964	\$0	\$196,964
70710 Management Fee		\$0	\$0	\$0
70720 Asset Management Fee		\$0	\$0	\$0
70730 Book Keeping Fee		\$0	\$0	\$0
70740 Front Line Service Fee		\$0	\$0	\$0
70750 Other Fees		\$0	\$0	\$0
70700 Total Fee Revenue		\$0	\$0	\$0
70800 Other Government Grants	\$0	\$0	\$0	\$0
71100 Investment Income - Unrestricted	\$979	\$979	\$0	\$979
71200 Mortgage Interest Income	\$0	\$0	\$0	\$0
71300 Proceeds from Disposition of Assets Held for Sale	\$0	\$0	\$0	\$0
71310 Cost of Sale of Assets	\$0	\$0	\$0	\$0
71400 Fraud Recovery	\$0	\$0	\$0	\$0

Housing Authority of Kaplan (LA026)
 KAPLAN, LA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2017

71500 Other Revenue	\$709	\$709	\$0	\$709
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0	\$0	\$0
72000 Investment Income - Restricted	\$0	\$0	\$0	\$0
70000 Total Revenue	\$595,602	\$595,602	\$0	\$595,602
91100 Administrative Salaries	\$76,931	\$76,931	\$0	\$76,931

	Project Total	Subtotal	ELIM	Total
91200 Auditing Fees	\$5,725	\$5,725	\$0	\$5,725
91300 Management Fee	\$0	\$0	\$0	\$0
91310 Book-keeping Fee	\$0	\$0	\$0	\$0
91400 Advertising and Marketing	\$1,199	\$1,199	\$0	\$1,199
91500 Employee Benefit contributions - Administrative	\$43,204	\$43,204	\$0	\$43,204
91600 Office Expenses	\$15,071	\$15,071	\$0	\$15,071
91700 Legal Expense	\$0	\$0	\$0	\$0
91800 Travel	\$1,177	\$1,177	\$0	\$1,177
91810 Allocated Overhead	\$0	\$0	\$0	\$0
91900 Other	\$13,076	\$13,076	\$0	\$13,076
91000 Total Operating - Administrative	\$156,383	\$156,383	\$0	\$156,383
92000 Asset Management Fee	\$0	\$0	\$0	\$0

Housing Authority of Kaplan (LA026)
 KAPLAN, LA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2017

92100 Tenant Services - Salaries	\$0	\$0	\$0	\$0
92200 Relocation Costs	\$0	\$0	\$0	\$0
92300 Employee Benefit Contributions - Tenant Services	\$0	\$0	\$0	\$0
92400 Tenant Services - Other	\$100	\$100	\$0	\$100
92500 Total Tenant Services	\$100	\$100	\$0	\$100
93100 Water	\$715	\$715	\$0	\$715
93200 Electricity	\$5,938	\$5,938	\$0	\$5,938
93300 Gas	\$452	\$452	\$0	\$452
93400 Fuel	\$0	\$0	\$0	\$0
93500 Labor	\$0	\$0	\$0	\$0
93600 Sewer	\$1,178	\$1,178	\$0	\$1,178
93700 Employee Benefit Contributions - Utilities	\$0	\$0	\$0	\$0

	Project Total	Subtotal	ELIM	Total
93800 Other Utilities Expense	\$0	\$0	\$0	\$0
93000 Total Utilities	\$8,283	\$8,283	\$0	\$8,283
94100 Ordinary Maintenance and Operations - Labor	\$62,273	\$62,273	\$0	\$62,273
94200 Ordinary Maintenance and Operations - Materials and	\$28,576	\$28,576	\$0	\$28,576
94300 Ordinary Maintenance and Operations Contracts	\$54,325	\$54,325	\$0	\$54,325

Housing Authority of Kaplan (LA026)
 KAPLAN, LA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2017

94500 Employee Benefit Contributions - Ordinary Maintenance	\$27,643	\$27,643	\$0	\$27,643
94000 Total Maintenance	\$172,817	\$172,817	\$0	\$172,817
95100 Protective Services - Labor	\$0	\$0	\$0	\$0
95200 Protective Services - Other Contract Costs	\$0	\$0	\$0	\$0
95300 Protective Services - Other	\$0	\$0	\$0	\$0
95500 Employee Benefit Contributions - Protective Services	\$0	\$0	\$0	\$0
95000 Total Protective Services	\$0	\$0	\$0	\$0
96110 Property Insurance	\$53,954	\$53,954	\$0	\$53,954
96120 Liability Insurance	\$4,805	\$4,805	\$0	\$4,805
96130 Workmen's Compensation	\$4,907	\$4,907	\$0	\$4,907
96140 All Other Insurance	\$4,369	\$4,369	\$0	\$4,369
96100 Total insurance Premiums	\$68,035	\$68,035	\$0	\$68,035
96200 Other General Expenses	\$421	\$421	\$0	\$421
96210 Compensated Absences	\$12,072	\$12,072	\$0	\$12,072
96300 Payments in Lieu of Taxes	\$0	\$0	\$0	\$0
96400 Bad debt - Tenant Rents	\$2,368	\$2,368	\$0	\$2,368
96500 Bad debt - Mortgages	\$0	\$0	\$0	\$0

Housing Authority of Kaplan (LA026)
 KAPLAN, LA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2017

	Project Total	Subtotal	ELIM	Total
96600 Bad debt - Other	\$0	\$0	\$0	\$0
96800 Severance Expense	\$0	\$0	\$0	\$0
96000 Total Other General Expenses	\$14,861	\$14,861	\$0	\$14,861
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$0	\$0	\$0
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$0	\$0	\$0
96730 Amortization of Bond Issue Costs	\$0	\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$420,479	\$420,479	\$0	\$420,479
97000 Excess of Operating Revenue over Operating Expenses	\$175,123	\$175,123	\$0	\$175,123
97100 Extraordinary Maintenance	\$0	\$0	\$0	\$0
97200 Casualty Losses - Non-capitalized	\$0	\$0	\$0	\$0
97300 Housing Assistance Payments	\$0	\$0	\$0	\$0
97350 HAP Portability-In	\$0	\$0	\$0	\$0
97400 Depreciation Expense	\$141,263	\$141,263	\$0	\$141,263
97500 Fraud Losses	\$0	\$0	\$0	\$0
97600 Capital Outlays - Governmental Funds				

Housing Authority of Kaplan (LA026)
 KAPLAN, LA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2017

97700 Debt Principal Payment - Governmental Funds				
97800 Dwelling Units Rent Expense	\$0	\$0	\$0	\$0
90000 Total Expenses	\$561,742	\$561,742	\$0	\$561,742
10010 Operating Transfer In	\$5,117	\$5,117	-\$5,117	\$0
10020 Operating transfer Out	-\$5,117	-\$5,117	\$5,117	\$0

	Project Total	Subtotal	ELIM	Total
10030 Operating Transfers from/to Primary Government	\$0	\$0	\$0	\$0
10040 Operating Transfers from/to Component Unit	\$0	\$0	\$0	\$0
10050 Proceeds from Notes, Loans and Bonds				
10060 Proceeds from Property Sales				
10070 Extraordinary Items, Net Gain/Loss	\$0	\$0	\$0	\$0
10080 Special Items (Net Gain/Loss)	\$0	\$0	\$0	\$0
10091 Inter Project Excess Cash Transfer In	\$0	\$0	\$0	\$0
10092 Inter Project Excess Cash Transfer Out	\$0	\$0	\$0	\$0
10093 Transfers between Program and Project - In	\$0	\$0	\$0	\$0
10094 Transfers between Project and Program - Out	\$0	\$0	\$0	\$0
10100 Total Other financing Sources (Uses)	\$0	\$0		\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$33,860	\$33,860		\$33,860

Housing Authority of Kaplan (LA026)
 KAPLAN, LA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2017

11020 Required Annual Debt Principal Payments	\$0	\$0		\$0
11030 Beginning Equity	\$2,275,415	\$2,275,415	\$0	\$2,275,415
11040 Prior Period Adjustments, Equity Transfers and Correction	\$0	\$0	\$0	\$0
11050 Changes in Compensated Absence Balance				
11060 Changes in Contingent Liability Balance				
11070 Changes in Unrecognized Pension Transition Liability				
11080 Changes in Special Term/Severance Benefits Liability				
11090 Changes in Allowance for Doubtful Accounts - Dwelling				
11100 Changes in Allowance for Doubtful Accounts - Other				
11170 Administrative Fee Equity				
11180 Housing Assistance Payments Equity				

	Project Total	Subtotal	ELIM	Total
11190 Unit Months Available	1016	1016	0	1016
11210 Number of Unit Months Leased	1007	1007	0	1007
11270 Excess Cash	\$418,845	\$418,845		\$418,845
11610 Land Purchases	\$0	\$0		\$0
11620 Building Purchases	\$295,243	\$295,243		\$295,243
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0		\$0

Housing Authority of Kaplan (LA026)
KAPLAN, LA
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 06/30/2017

11640 Furniture & Equipment - Administrative Purchases	\$0	\$0		\$0
11650 Leasehold Improvements Purchases	\$0	\$0		\$0
11660 Infrastructure Purchases	\$0	\$0		\$0
13510 CFFP Debt Service Payments	\$0	\$0		\$0
13901 Replacement Housing Factor Funds	\$0	\$0		\$0