

PRAIRIEVILLE VOLUNTEER FIRE DEPARTMENT, INC.
Prairieville, Louisiana

FINANCIAL REPORT

December 31, 2024 and 2023

PRAIRIEVILLE VOLUNTEER FIRE DEPARTMENT, INC.
Prairieville, Louisiana

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December 31, 2024 and 2023

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Prairieville Volunteer Fire Department, Inc.
Prairieville, Louisiana

Opinion

We have audited the accompanying financial statements of **PRAIRIEVILLE VOLUNTEER FIRE DEPARTMENT, INC.** (a nonprofit organization) (Department), which comprise the statements of financial position as of December 31, 2024 and 2023, the related statements of activities and functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Department as of December 31, 2024 and 2023, and the changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Department's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Benefits and Other Payments to Agency Head on page 12 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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 May 19, 2025, on our consideration of the Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Department's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Department's internal control over financial reporting and compliance.

Faulk & Winkler, LLC

Certified Public Accountants

Baton Rouge, Louisiana
May 19, 2025

PRAIRIEVILLE VOLUNTEER FIRE DEPARTMENT, INC.

Prairieville, Louisiana

STATEMENTS OF FINANCIAL POSITION

December 31, 2024 and 2023

| | <u>2024</u> | <u>2023</u> |
|--|--------------------------|--------------------------|
| ASSETS | | |
| CURRENT | | |
| Cash and cash equivalents | \$ 499,760 | \$ 474,588 |
| Certificates of deposit | 50,438 | 50,438 |
| Due from Ascension Parish Government | 33,260 | 16,093 |
| Prepaid expenses | <u>7,957</u> | <u>7,957</u> |
| Total current assets | 591,415 | 549,076 |
| PROPERTY AND EQUIPMENT, net | <u>372,678</u> | <u>374,168</u> |
| Total assets | <u><u>\$ 964,093</u></u> | <u><u>\$ 923,244</u></u> |
| LIABILITIES AND NET ASSETS | | |
| CURRENT LIABILITIES | | |
| Accounts payable and accrued liabilities | \$ 17,024 | \$ 16,263 |
| NET ASSETS | | |
| Without donor restrictions | <u>947,069</u> | <u>906,981</u> |
| Total liabilities and net assets | <u><u>\$ 964,093</u></u> | <u><u>\$ 923,244</u></u> |

The accompanying notes to the financial statements
are an integral part of these statements.

PRAIRIEVILLE VOLUNTEER FIRE DEPARTMENT, INC.

Prairieville, Louisiana

STATEMENTS OF ACTIVITIES AND FUNCTIONAL EXPENSES

For the years ended December 31, 2024 and 2023

| | 2024 | 2023 |
|--|--------------------------|--------------------------|
| REVENUES AND SUPPORT | | |
| Support from Ascension Parish Government | \$ 400,806 | \$ 385,736 |
| State fire insurance rebate | 243,775 | 235,989 |
| Donations and other | <u>80</u> | <u>822</u> |
| Total revenues and support | <u>644,661</u> | <u>622,547</u> |
| EXPENSES | | |
| Program services: | | |
| Personnel costs | 405,367 | 385,442 |
| Depreciation | 77,663 | 80,968 |
| Training | 26,598 | 12,032 |
| Firemen supplies | 16,304 | 16,886 |
| General and administrative: | | |
| Depreciation | 24,587 | 24,337 |
| Professional | 19,341 | 17,738 |
| Maintenance | 15,094 | 20,605 |
| Other | <u>19,619</u> | <u>4,838</u> |
| Total expenses | <u>604,573</u> | <u>562,846</u> |
| Change in net assets | 40,088 | 59,701 |
| NET ASSETS | | |
| Beginning of year | <u>906,981</u> | <u>847,280</u> |
| End of year | <u><u>\$ 947,069</u></u> | <u><u>\$ 906,981</u></u> |

The accompanying notes to the financial statements
are an integral part of these statements.

PRAIRIEVILLE VOLUNTEER FIRE DEPARTMENT, INC.

Prairieville, Louisiana

STATEMENTS OF CASH FLOWS

For the years ended December 31, 2024 and 2023

| | <u>2024</u> | <u>2023</u> |
|---|-------------------|-------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Change in net assets | \$ 40,088 | \$ 59,701 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: | | |
| Depreciation | 102,250 | 105,305 |
| Changes in operating assets and liabilities: | | |
| Decrease in due from Ascension Parish Government | (17,167) | (1,398) |
| Increase in prepaid expenses | - | (7,957) |
| Decrease in accounts payable and accrued liabilities | <u>761</u> | <u>(12,096)</u> |
| Net cash provided by operating activities | 125,932 | 143,555 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property and equipment | <u>(100,760)</u> | <u>(30,583)</u> |
| Net increase in cash | 25,172 | 112,972 |
| CASH AND CASH EQUIVALENTS | | |
| Beginning of year | <u>474,588</u> | <u>361,616</u> |
| End of year | <u>\$ 499,760</u> | <u>\$ 474,588</u> |

The accompanying notes to the financial statements
are an integral part of these statements.

PRAIRIEVILLE VOLUNTEER FIRE DEPARTMENT, INC.

Prairieville, Louisiana

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Operations

Prairieville Volunteer Fire Department, Inc. (Department) is a non-profit corporation providing fire protection, emergency medical service, and hazardous materials handling to the citizens of Fire Protection District No. 3 in Ascension Parish.

Financial statement presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts and related disclosures of the financial statements. Actual results could differ from those estimates. Estimates are used primarily when accounting for depreciation.

Income taxes

The Department is a not-for-profit organization that is exempt from income taxes under Section 501(c)(4) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. The Department follows the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740-10, *Accounting for Uncertainty in Income Taxes*. The Department's open audit periods are 2021 through 2024.

Revenue recognition

The Department is primarily funded by support from Ascension Parish Government, through a cooperative endeavor agreement. Supplementary funding is provided by state fire insurance rebates, grants, and donations solicited from the general public, local businesses, and civic organizations, which are recognized as received.

Cash and cash equivalents

For purposes of the statement of cash flows, the Department considers cash in bank accounts as cash. Cash equivalents include investments with original maturities of three months or less. The Department has no cash equivalents at December 31, 2024 and 2023.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Certificates of deposit

The Department classifies its certificates of deposit as short-term investments and reassesses the appropriateness of the classification of its investments at the end of each reporting period. Certificates of deposit held for investment with an original maturity greater than three months are carried at fair market value and reported as a certificate of deposit on the statements of financial position. The type of certificates of deposit that the Department invested in are not considered debt securities under Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 320, *Investments - Debt Securities*. As of both December 31, 2024 and 2023, the Department had \$50,438 in certificates of deposit.

Due from Ascension Parish Government (APG)

Amounts due from APG are stated at the amount management expects to collect and consists of amounts for reimbursement of payroll and related benefit expenses through a cooperative endeavor agreement.

Allowance for credit losses

The Department's amounts due from APC are primarily derived from reimbursements from Ascension Parish Government. At each statement of financial position date, the Department recognizes an expected allowance for credit losses. In addition, at each reporting date, this estimate is updated to reflect any changes in credit risk since this receivable was initially recorded. There were no allowances recorded as of December 31, 2024 or 2023.

Fair value of financial instruments

The carrying value of cash, certificates of deposit, due from APG, and liabilities approximates fair value due to the short-term maturity of these instruments. Financial instruments are not held for trading purposes.

Property, equipment and depreciation

Property and equipment are recorded at cost. Depreciation is computed using the straight-line method over the estimated service lives of the assets.

Functional expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among program services and general and administrative expenses. Depreciation is allocated based on square footage.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

The Department determines if an arrangement contains a lease at inception. Leases are then classified as either operating or finance leases depending on the characteristics of the lease. Right-of-use (ROU) assets represent the Department's right to control the use of a specified asset for the lease term, and lease liabilities represent the Department's obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized at the commencement date based on the present value of lease payments; the Department uses the risk-free discount rate when the discount rate is not implicit in the lease. The lease term is the non-cancellable period of the lease, including any options to extend, purchase, or terminate the lease depending on whether the Department is reasonably certain to exercise those options.

The costs associated with operating leases are recognized on a straight-line basis over the period of the leases. Finance leases ROU assets are amortized on a straight-line basis over the shorter of the estimated useful lives or the lease terms, and interest expense incurred on the lease liabilities is included in interest expense. If the lease transfers ownership to the Department or the Department is reasonably certain to exercise the option to purchase the underlying asset, the ROU asset is amortized to the end of the useful life of the underlying asset. Assumptions made by the Department at the commencement date are re-evaluated upon occurrence of certain events, including lease modifications when that modification is not accounted for as a separate contract.

The Department does not recognize ROU assets and lease liabilities on short-term leases but recognize lease expense for these leases on a straight-line basis over the lease terms and any variable lease payments in the period in which the obligation for those payments are incurred.

The Department had no right of use assets or liabilities related to leases during 2024 and 2023, respectively.

Subsequent events

In preparing the financial statements, the Department has evaluated events and transactions for potential recognition or disclosure through May 19, 2025, which is the date the financial statements were available to be issued.

NOTE 2 - PROPERTY AND EQUIPMENT

A summary of property and equipment, related service lives, and accumulated depreciation at December 31, 2024 and 2023, is as follows:

| Description | Service Life | 2024 | 2023 |
|-------------------------------|--------------|-------------------|-------------------|
| Fire equipment | 5 years | \$ 575,541 | \$ 560,806 |
| Building improvements | 15 years | 332,851 | 320,401 |
| Furniture and fixtures | 5 years | 35,686 | 47,163 |
| Other equipment | 5 years | 29,779 | 32,797 |
| Total | | 973,857 | 961,167 |
| Less accumulated depreciation | | (601,179) | (586,999) |
| Property and equipment, net | | <u>\$ 372,678</u> | <u>\$ 374,168</u> |

Depreciation expense was \$102,250 and \$105,305 for 2024 and 2023, respectively.

NOTE 3 - CONCENTRATION OF CREDIT RISK

The Department typically maintains cash and cash equivalents in local banks that may, at times, exceed the FDIC limits. Management believes that this risk is limited. The excess of cash over the FDIC limit of \$250,000 for the Department is \$253,197 and \$210,415 for 2024 and 2023, respectively.

NOTE 4 - RELATED PARTY TRANSACTIONS/ECONOMIC DEPENDENCY

Since the Department provides a service that would otherwise be provided by APG, APG provided financial support for payroll and related benefit expenses to the Department of \$400,806 and \$385,736 for 2024 and 2023, respectively.

Revenue derived from APG accounted for approximately 62% of total revenue in both years 2024 and 2023; the loss of this significant support would have a material adverse effect on the Department.

NOTE 5 - DEFERRED COMPENSATION PLAN

The Department offers its employees a defined contribution plan (the Plan) created in accordance with Internal Revenue Code Section 457. The Plan is administered by Nationwide Retirement Solutions, Inc. (Nationwide), who is the trustee of the Plan. The Plan, mandates participation for all employees, requires them to defer a portion of their salary to future years. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency. In accordance with the amended provisions of the Internal Revenue Code, all amounts deferred under the Plan, all property and rights purchased with those amounts, and all income attributable to those amounts, are solely the property and rights of the participants and their beneficiaries.

Under this program, employees must defer 4% of their wages and the Department contributes a matching contribution of 4%. For the years ended December 31, 2024 and 2023, employer contributions totaled \$15,814 and \$14,579, respectively.

NOTE 6 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Department's financial assets available within one year of the balance sheet date for general expenditure are as follows.

| | 2024 | 2023 |
|--------------------------------------|-------------------|-------------------|
| Cash and cash equivalents | \$ 499,760 | \$ 474,588 |
| Certificates of deposit | 50,438 | 50,438 |
| Due from Ascension Parish Government | 33,260 | 16,093 |
| Total | <u>\$ 583,458</u> | <u>\$ 541,119</u> |

The Department does not have any amount with contractual or donor-imposed restrictions within one year of the balance sheet date at December 31, 2024 and 2023.

As part of the Department's liquidity management, the Department maintains sufficient cash funds throughout the year along with the Ascension Parish Government providing financial support for payroll and related benefit expenses. In addition, the Department receives an annual 2% fire insurance rebate from APG that the Department uses to fund operations.

SUPPLEMENTARY INFORMATION

PRAIRIEVILLE VOLUNTEER FIRE DEPARTMENT, INC.

Prairieville, Louisiana

**SCHEDULE OF COMPENSATION, BENEFITS AND
OTHER PAYMENTS TO AGENCY HEAD**

For the year ended December 31, 2024

Agency Head: Mark Stewart, Executive Director

No compensation paid from public funds

**INDEPENDENT AUDITORS' REPORT REQUIRED BY
*GOVERNMENTAL AUDITING STADARDS***



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors
Prairieville Volunteer Fire Department, Inc.
Prairieville, Louisiana

We have audited, 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, the financial statements of **PRAIRIEVILLE VOLUNTEER FIRE DEPARTMENT, INC. (DEPARTMENT)**, which comprise the statement of financial position as of December 31, 2024, and the related statements of activities and functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 19, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Department's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests did not disclose any instance of noncompliance and other matters that are required to be reported under *Governmental 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 Department'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 Department'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 Board of Directors and management, the Louisiana Legislative Auditor, and federal and state agencies, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statutes 24:513, this report is distributed by the Legislative Auditor as a public document.

Faulk & Winkler, LLC
Certified Public Accountants

Baton Rouge, Louisiana
May 19, 2025

PRAIRIEVILLE VOLUNTEER FIRE DEPARTMENT, INC.

Prairieville, Louisiana

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

For the year ended December 31, 2024

1) Summary of Auditors' Results:

A) The type of report issued on the financial statements: **Unmodified opinion.**

B) A significant deficiency in internal controls was disclosed by the audit of financial statements: **None reported.**

C) Material weakness: **None.**

D) Noncompliance which is material to the financial statements: **None.**

2) Findings relating to the financial statements reported in accordance with *Government Auditing Standards*: **None.**

3) Findings relating to compliance reported in accordance with *Government Auditing Standards*: **None.**

PRAIRIEVILLE VOLUNTEER FIRE DEPARTMENT, INC.

Prairieville, Louisiana

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

For the year ended December 31, 2024

There were none.

Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures

PRAIRIEVILLE VOLUNTEER FIRE DEPARTMENT, INC.

Prairieville, Louisiana

For the year ended December 31, 2024



INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of
the Prairieville Volunteer Fire Department, Inc.
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2024 through December 31, 2024. The **PRAIRIEVILLE VOLUNTEER FIRE DEPARTMENT, INC.'S** (Department) management is responsible for those C/C areas identified in the SAUPs.

The Department has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2024 through December 31, 2024. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) Written Policies and Procedures

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - ii. **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
 - iii. **Disbursements**, including processing, reviewing, and approving.
 - iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- v. ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- vi. ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- vii. ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- viii. ***Credit Cards*** (and debit cards, fuel cards, purchase cards, if applicable), including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- ix. ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- x. ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. ***Prevention of Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

2) Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget- to-actual, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned

- fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

3) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - ii. Bank reconciliations include evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and
 - iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

4) Collections (excluding electronic funds transfers)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that
 - i. Employees responsible for cash collections do not share cash drawers/registers.
 - ii. Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
 - iii. Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions, are not

also responsible for collecting cash, unless another employee/official verifies the reconciliation.

- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - i. Observe that receipts are sequentially pre-numbered.
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - iii. Trace the deposit slip total to the actual deposit per the bank statement.
 - iv. Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
 - v. Trace the actual deposit per the bank statement to the general ledger.

PRAIRIEVILLE VOLUNTEER FIRE DEPARTMENT, INC.

Prairieville, Louisiana

SCHEDULE OF FINDINGS

For the year ended December 31, 2024

Findings:

No findings were found as a result of applying the procedures listed above, except as follows:

1) Written Policies and Procedures:

A(ix) (3) Ethics – The Department has no written policy on a system to monitor possible ethics violations.

2) Board or Finance Committee:

A(i) The Department's Board did not meet monthly as required by the Department's bylaws.

A(ii) The Department's Board minutes do not reference monthly budget-to-actual comparisons.

A(iv) The Department's Board minutes do not reference written updates of resolving audit findings.

3) Bank Reconciliations:

A(ii) Of the three bank reconciliations tested, none included evidence that a member of management who does not handle cash, post ledgers, or issue checks reviewed the bank reconciliation.

A(iii) Two of the three bank reconciliations tested did not include documentation of management displaying research of items that have been outstanding for more than 12 months from the statement closing date.

4) Collections:

B(i) The Department maintains one cash drawer shared by multiple employees.

D(i) One of the five deposits tested did not have evidence of sequentially prenumbered receipts.

D(iv) We were unable to determine if three of the five deposits selected were made within one business day of the receipt of the collection as the receipt date was not documented on the supporting documentation for the deposits.

Management's Response

The Board of Directors of the Department concurs with the findings and are working to address the exceptions identified.

We were engaged by the Department to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

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

Faulk & Winkler, LLC
Certified Public Accountants

Baton Rouge, Louisiana
May 19, 2025