

**WEST BATON ROUGE CONVENTION &  
VISITORS BUREAU  
PORT ALLEN, LOUISIANA  
FINANCIAL REPORT  
December 31, 2023**

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## WEST BATON ROUGE CONVENTION & VISITORS BUREAU

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*December 31, 2023*

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## **INDEPENDENT AUDITOR’S REPORT**

Chairman and Members of the Board  
West Baton Rouge Convention and Visitors Bureau  
Port Allen, Louisiana

### ***Opinion***

We have audited the financial statements of the governmental activities and each major fund of the West Baton Rouge Convention and Visitors Bureau, a component unit of the West Baton Rouge Parish Council, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the West Baton Rouge Convention and Visitors Bureau’s basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the West Baton Rouge Convention and Visitors Bureau as of December 31, 2023, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis of Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of West Baton Rouge Convention and Visitors Bureau and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 West Baton Rouge Convention and Visitors Bureau's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with generally accepted auditing standards, 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 West Baton Rouge Convention and Visitors Bureau '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 West Baton Rouge Convention and Visitors Bureau's ability to continue as a going concern for a reasonable period of time.



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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 5 through 11 and schedules 1 and 2 respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the West Baton Rouge Convention and Visitors Bureau's basic financial statements. The schedule of compensation, benefits and other payments to agency head on schedule 3 is presented to comply with the requirements issued by the State of Louisiana and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit and the report of the other auditors, the schedule of compensation, benefits and other payments to agency head is 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 June 21, 2024 on our consideration of the West Baton Rouge Convention and Visitors Bureau'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 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 West Baton Rouge Convention and Visitors Bureau's internal control over financial reporting and compliance.

*Baxley & Associates. LLC*

Plaquemine, Louisiana  
June 21, 2024

**WEST BATON ROUGE CONVENTION AND VISITORS BUREAU**  
**Port Allen, Louisiana**

**Management's Discussion and Analysis**

The Management's Discussion and Analysis of the West Baton Rouge Convention and Visitors Bureau (the Convention and Visitors Bureau) financial performance presents a narrative overview and analysis of the Convention and Visitors Bureau's financial activities for the year ended December 31, 2023. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with prior year's information. Please read this document in conjunction with the additional information contained in the Convention and Visitors Bureau's financial statements, which begins on page 12.

***FINANCIAL HIGHLIGHTS***

The Convention and Visitors Bureau's total net position increased by \$387,505 or 9.3%.

The operating revenues of the Convention and Visitors Bureau decreased \$111,917 or 5.0%.

The operating expenses of the Convention and Visitors Bureau decreased \$14,397 or 0.8%.

***OVERVIEW OF THE FINANCIAL STATEMENTS***

This Management Discussion and Analysis document introduces the Convention and Visitors Bureau's basic financial statements. The basic financial statements include: (1) government-wide financial statements, and fund financial statements, and (2) notes to the basic financial statements. The Convention and Visitors Bureau also includes in this report additional information to supplement the basic financial statements, such as required supplementary information. Comparative data is presented when available.

***Government-wide Financial Statements***

The Convention & Visitors Bureau's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Convention & Visitors Bureau's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

**WEST BATON ROUGE CONVENTION AND VISITORS BUREAU**  
**Port Allen, Louisiana**

**Management's Discussion and Analysis, continued**

The first of these government-wide statements is the Statement of Net Position. This is the government-wide statement of position presenting information that includes all of the Convention & Visitors Bureau's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Convention & Visitors Bureau as a whole is improving or deteriorating. Evaluation of the overall health of the Convention & Visitors Bureau would extend to other non-financial factors such as diversification of the taxpayer base, in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities and Changes in Net Position which reports how the Convention & Visitors Bureau's net position changed during the current calendar year. All current year revenues and expenses are included regardless of when the Convention & Visitors Bureau receives or pays cash. An important purpose of the design of the statement of activities is to show the financial reliance of the Convention & Visitors Bureau's distinct activities or functions on revenues provided by the Convention & Visitors Bureau's taxpayers.

The government-wide financial statements are presented along with fund financial statements on statements A and B of this report.

**Fund Financial Statements**

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Convention & Visitors Bureau uses two funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Convention & Visitors Bureau's general fund and one special revenue funds. All funds are governmental fund types.

The Convention & Visitors Bureau uses only one fund type:

The Governmental funds are reported in the fund financial statements and encompasses the same function reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Convention & Visitors Bureau's governmental funds. These statements report short-term calendar accountability focusing on the use of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

**WEST BATON ROUGE CONVENTION AND VISITORS BUREAU**  
**Port Allen, Louisiana**

**Management's Discussion and Analysis, continued**

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental funds balance sheet and the governmental funds operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental funds financial statements are presented on statements A and B of this report along with the government-wide financial statements.

**Notes to the Basic Financial Statements**

The notes to financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found immediately following the financial statements.

***FINANCIAL ANALYSIS OF THE CONVENTION & VISITORS BUREAU AS A WHOLE***

	<b>2023</b>	<b>2022</b>
Current assets	\$ 3,146,462	\$ 3,242,952
Capital assets	<u>1,735,197</u>	<u>1,672,078</u>
Total assets	<u>4,881,659</u>	<u>4,915,030</u>
Current liabilities	206,065	637,201
Noncurrent liabilities	<u>102,028</u>	<u>91,768</u>
Total liabilities	<u>308,093</u>	<u>728,969</u>
Net investment in capital assets	1,697,417	1,596,552
Restricted, as restated	2,119,562	1,941,210
Unrestricted, as restated	<u>756,587</u>	<u>648,299</u>
Total net position	<u>\$ 4,573,566</u>	<u>\$ 4,186,061</u>

The Convention & Visitors Bureau continues to maintain an extremely high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities at December 31, 2023 is approximately 15.3 to 1.

**WEST BATON ROUGE CONVENTION AND VISITORS BUREAU**  
**Port Allen, Louisiana**

**Management's Discussion and Analysis, continued**

The Convention & Visitors Bureau reported a positive balance in net position for its governmental activities. Note that approximately 37% of the governmental activities net position at December 31, 2023 consist of capital assets. The Convention & Visitors Bureau uses these capital assets to provide services to its citizens and tourists visiting the parish.

The following data is presented on the accrual basis of accounting which means that all costs are presented; however, the purchase of capital assets is not included but depreciation on the capital assets is included.

The following table provided a summary of the Convention & Visitors Bureau's changes in net position:

	2023	2022
<b>Revenues</b>		
Program revenues		
Charges for services	\$ 275,314	\$ 184,683
Operating grants and contributions	384,464	428,983
General Revenues		
Hotel-motel tax	768,210	812,929
Sales tax rebate	516,293	741,539
Grants and other income	20,929	5,355
Interest income	139,355	42,993
Total revenues	2,104,565	2,216,482
<b>Expenses</b>		
General government	1,695,216	1,645,948
Intergovernmental	20,000	82,700
Interest expense	1,844	2,799
Total expenses	1,717,060	1,731,447
<b>Increase(decrease) before other financing sources</b>	387,505	485,035
Other financing source (uses)	-	-
<b>Change in net position</b>	387,505	485,035
<b>Net position - beginning</b>	4,186,061	3,701,026
<b>Net position - ending</b>	\$ 4,573,566	\$ 4,186,061

**Governmental Revenue**

The Convention & Visitors Bureau is heavily reliant on hotel-motel tax and the state sales tax rebate to support its operations. Hotel-motel taxes and state sales tax rebate provided 61.0% in 2023 and 70.1% in



**WEST BATON ROUGE CONVENTION AND VISITORS BUREAU**  
**Port Allen, Louisiana**

**Management's Discussion and Analysis, continued**

2022 of the Convention & Visitors Bureau's total revenues. Because of the Convention & Visitors Bureau's healthy financial position, we have been able to earn interest income of \$139,355 in 2023 and \$42,993 in 2022 to support our activities. Also, note that in 2023 charges for services covered only 16.0% of governmental operating expenses and only 10.7% in 2022. This means that the Convention & Visitors Bureau's taxpayers and the Convention & Visitors Bureau's other general revenues fund a significant portion of the Convention & Visitors Bureau's activities. As a result, the general economy and local businesses have a major impact on the Convention & Visitors Bureau's revenue streams.

**Governmental Functional Expenses**

Salaries and related expenses comprised 28.5% in 2023 and 25.0% in 2022 of total expenses. Operating services, materials and supplies made up 64.9% in 2023 and 64.7% in 2022 the total expenses.

**Financial Analysis of the Convention & Visitors Bureau's Governmental Funds**

The General Fund is the Convention & Visitors Bureau's operating fund and along with the Special Revenue Funds are the sources of day-to-day service delivery. As discussed, the General and Special Revenue Funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financial requirements. Remember the data presented in the fund financial statements is presented on the modified accrual basis. This means that capital assets purchased during the year are reported as expenditures and no depreciation on these capital assets is reported as an expenditure in the same year.

- The General Fund is the main operating account of the Bureau. At the end of the fiscal year, the fund balance of the General Fund was \$815,687, which \$810,389 is unassigned and available for spending and \$5,298 is non-spendable for prepaid expenses.
- The Special Revenue Fund "Enterprise" accounts for all receipts and expenditures of funds received from the sales tax rebate to be used exclusively for the planning, development, or capital improvements of tourism sites in West Baton Rouge Parish. At the end of the current fiscal year, the fund balance of this fund was \$2,124,710, all of which is restricted.

**General Fund Budgetary Highlights**

At year-end, the Convention & Visitors Bureau realized 122.0% of our final budget revenue and total expenditures were 86.2% of budgeted amounts. Variances between actual budget results and final budgeted amounts were primarily due to an increase in the conference center revenue, interest income, and grant income from the Tourism Revival Fund. Final budgeted expenditures were \$205,525 (9.7%) higher than original budgeted amounts due to higher-than-expected advertisement and conference center expenditures.

**WEST BATON ROUGE CONVENTION AND VISITORS BUREAU**  
**Port Allen, Louisiana**

**Management's Discussion and Analysis, continued**

***CAPITAL ASSETS AND DEBTS***

**Capital Assets**

The Convention and Visitors Bureau's investment in capital assets, net of accumulated depreciation and amortization, for governmental activities as of December 31, 2023 was \$1,735,197 compared to \$1,672,078 at December 31, 2022. In 2023 depreciation and amortization expense was \$92,415- compared to \$93,209 at December 31, 2022.

See Note 4 for additional information about changes in capital assets during the calendar year and outstanding at the end of the year. The following table provides a summary of capital asset activity.

	<b>Governmental Activities</b>	
	<b>2023</b>	<b>2022</b>
Depreciable assets	\$ 1,779,036	\$ 1,633,303
Less accumulated depreciation and amortization	(887,695)	(795,280)
Land	834,056	834,056
Construction in progress	9,800	-
Book value-depreciable assets	<u>\$ 1,735,197</u>	<u>\$ 1,672,079</u>

**Long-term Debt**

The Convention and Visitors Bureau may issue general obligation debt to meet its capital needs. During the current year the Convention and Visitors Bureau retired \$28,000 of bonds that were issued to fund renovation of the convention facilities. The Bureau also has leases for office equipment. During the current year, the Bureau made principal payments of \$9,746 towards the lease liability. See Note 5 to the financial statements for a discussion and analysis of long-term debt.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS**

Generally, the outlook for 2024 is favorable. The impact on projected hotel-motel tax and state sales tax rebate revenue should be close to the budgeted amount for 2024. Hotel-motel tax for the year 2023 shows an approximate 15.7% increase from January through May 2024 year-to-date compared to 2023.

State sales tax rebate revenue will be close to 100% of budgeted amount for the year 2024. Wages and salaries will be higher in 2024 due to the Bureau giving annual raises to each employee. The Bureau will be looking at hiring another full-time employee in 2024.

The Bureau's income is lower than the expenditures for January through May 2024. This is due to no State Enterprise funds have been received to date. The Bureau feels confident that income will exceed expenditures for 2024.



**WEST BATON ROUGE CONVENTION AND VISITORS BUREAU**  
**Port Allen, Louisiana**

**Management's Discussion and Analysis, continued**

**CONTACTING THE CONVENTION AND VISITORS BUREAU'S MANAGEMENT**

This financial report is designed to provide a general overview of the Convention and Visitors Bureau's finances, comply with finance-related laws and regulations, and to demonstrate the Convention and Visitors Bureau's accountability for the money it receives. If you have any questions about this report or need additional information, please contact the West Baton Rouge Convention and Visitors Bureau, 2750 N. Westport Drive, Port Allen, LA 70767.

**WEST BATON ROUGE CONVENTION & VISITORS BUREAU****Statement of Net Position and  
Governmental Funds Balance Sheet**

December 31, 2023

	General Fund	SRF Enterprise Fund	Total	Adjustments	Statement of Position
<b>ASSETS</b>					
Cash and cash equivalents	\$ 351,272	\$ 544,765	\$ 896,037	\$ -	\$ 896,037
Accounts receivable	5,840	-	5,840	-	5,840
Investments - LAMP	395,451	1,556,410	1,951,861	-	1,951,861
Hotel-Motel tax receivable	68,417	-	68,417	-	68,417
Prepaid expenses	5,298	5,600	10,898	-	10,898
Interfund receivables	11,991	6,153	18,144	(18,144)	-
Restricted cash & cash equivalents	-	213,409	213,409	-	213,409
Capital assets, net of accumulated depreciation	-	-	-	881,692	881,692
Capital assets, not being depreciated					
Land	-	-	-	834,056	834,056
Construction in progress	-	-	-	9,800	9,800
Lease - Right-of-use asset net of accumulated amortization	-	-	-	9,649	9,649
<b>Total Assets</b>	<b>838,269</b>	<b>2,326,337</b>	<b>3,164,606</b>	<b>1,717,053</b>	<b>4,881,659</b>
<b>LIABILITIES</b>					
Accounts payable and accrued expenses	16,429	79,051	95,480	-	95,480
Unearned revenues	-	110,585	110,585	-	110,585
Interfund payables	6,153	11,991	18,144	(18,144)	-
Long-term liabilities					
Due within one year					
Leases payable	-	-	-	9,083	9,083
Bonds payable	-	-	-	28,000	28,000
Due after one year					
Leases payable	-	-	-	697	697
Bonds payable	-	-	-	-	-
Compensated Absences	-	-	-	64,248	64,248
<b>Total Liabilities</b>	<b>22,582</b>	<b>201,627</b>	<b>224,209</b>	<b>83,884</b>	<b>308,093</b>
<b>FUND BALANCE/NET POSITION</b>					
<b>Fund Balance:</b>					
Restricted					
Tourist promotion	-	2,124,710	2,124,710	(2,124,710)	
Nonspendable					
Prepaid expenses	5,298	-	5,298	(5,298)	
Unassigned	810,389	-	810,389	(810,389)	
<b>Total fund balances</b>	<b>815,687</b>	<b>2,124,710</b>	<b>2,940,397</b>		
<b>Total liabilities and fund balances</b>					
<b>Net Position:</b>					
Invested in capital assets net of related debt				1,697,417	1,697,417
Restricted - Enterprise Fund				2,119,562	2,119,562
Unrestricted				756,587	756,587
<b>Total Net Position</b>					<b>\$ 4,573,566</b>

**WEST BATON ROUGE CONVENTION & VISITORS  
BUREAU**

Statement B

Statement of Activities and Governmental Fund Revenues,  
Expenditures and Changes in Fund Balance/Net Position

Year Ended December 31, 2023

	General Fund	SRF Enterprise Fund	Total	Adjustments	Statement of Activities
<b>Expenditures/expenses</b>					
General government					
Advertising and marketing	\$ 121,942	\$ 330,311	\$ 452,253	\$ -	\$ 452,253
Bank charges	3,029	1,236	4,265	-	4,265
Catering expenses	141,968	-	141,968	-	141,968
Depreciation and amortization	-	-	-	92,415	92,415
Maintenance, repairs and security	95,056	22,150	117,206	-	117,206
Office, supplies and postage	38,606	215,999	254,605	-	254,605
Professional fees	81,734	-	81,734	-	81,734
Insurance	22,932	-	22,932	-	22,932
Salaries, wages and related expenses	478,841	-	478,841	10,259	489,100
Utilities & telephone	38,738	-	38,738	-	38,738
Intergovernmental	-	20,000	20,000	-	20,000
Capital outlays	-	155,534	155,534	(155,534)	-
Debt service					
Principal	9,746	28,000	37,746	(37,746)	-
Interest	202	1,642	1,844	-	1,844
<b>Total Expenditures/Expenses</b>	<b>1,032,794</b>	<b>774,872</b>	<b>1,807,666</b>	<b>(90,606)</b>	<b>1,717,060</b>
<b>Revenues</b>					
Program Revenues					
Conference center	236,448	-	236,448	-	236,448
Special events	1,263	37,603	38,866	-	38,866
Operating grants and contributions	106,488	277,976	384,464	-	384,464
<b>Expenditures/Expenses Net       of Program Revenues</b>	<b>(688,595)</b>	<b>(459,293)</b>	<b>(1,147,888)</b>	<b>90,606</b>	<b>(1,057,282)</b>
General Revenue					
Hotel-Motel tax	768,210	-	768,210	-	768,210
From the State:					
Sales tax rebate	-	516,293	516,293	-	516,293
Interest income	32,173	107,182	139,355	-	139,355
Grants and other income	6,759	14,170	20,929	-	20,929
<b>Total General Revenues</b>	<b>807,142</b>	<b>637,645</b>	<b>1,444,787</b>	<b>-</b>	<b>1,444,787</b>
<b>Excess (Deficiency) of Revenues over   Expenditures</b>	<b>118,547</b>	<b>178,352</b>	<b>296,899</b>	<b>90,606</b>	<b>387,505</b>
<b>Other Financing Sources (Uses)</b>					
Loss on disposition of asset	-	-	-	-	-
<b>Excess (Deficiency) of Revenues and Other   Sources over Expenditures and Other Uses</b>	<b>118,547</b>	<b>178,352</b>	<b>296,899</b>	<b>90,606</b>	<b>387,505</b>
<b>Total Fund Balance/Net Position, Beginning</b>	<b>697,140</b>	<b>1,946,358</b>	<b>2,643,498</b>	<b>-</b>	<b>4,186,061</b>
<b>Total Fund Balance/Net Position, Ending</b>	<b>\$ 815,687</b>	<b>\$ 2,124,710</b>	<b>\$ 2,940,397</b>	<b>\$ 90,606</b>	<b>\$ 4,573,566</b>

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# WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

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*Notes to Financial Statements*

*December 31, 2023*

## INTRODUCTION

The West Baton Rouge Convention & Visitors Bureau was established May 12, 1977 as the West Baton Rouge Tourist Commission for the purpose of developing and carrying out programs designed to promote tourism in the area of West Baton Rouge Parish as provided for by Louisiana Revised Statutes 33:4574, et seq. The Commission's name was changed to the West Baton Rouge Convention & Visitors Bureau in 2007.

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Basis of Presentation.** The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting principles and reporting standards. The principles are found in the *Codification of Governmental Accounting and Financial Reporting Standards*, published by the GASB. The accompanying financial statements have been prepared on the full accrual basis in accordance with accounting principles generally accepted in the United States of America as applied to governmental units.

**Reporting Entity.** GASB Codification Section 2100, *Defining the Financial Reporting Entity*, establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Codification Section 2100, the West Baton Rouge Convention & Visitors Bureau includes all funds, account groups, et cetera, that are within the oversight responsibility of the Convention & Visitors Bureau. Based on the criteria set forth in GASB Codification Section 2100, the Convention & Visitors Bureau is a component unit of the West Baton Rouge Council because the Bureau is fiscally dependent on the Parish Council. The accompanying financial statements present information only as to the transactions and the activities of the Convention and Visitors Bureau.

**Date of Management's Review.** Management has evaluated subsequent events through June 21, 2024, the date on which financial statements were available to be issued.

**Fund Accounting.** The accounts of the West Baton Rouge Convention & Visitors Bureau are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into two generic fund types and one broad fund category as follows:

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## WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

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*Notes to Financial Statements, continued*

*December 31, 2023*

### ***Governmental Funds:***

**General Fund** - The General Fund is the general operating fund of the Bureau. It is used to account for all financial resources except those required to be accounted for in another fund.

**Special Revenue Fund "Enterprise"** - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for a specific purpose other than debt services or capital projects. The Bureau accounts for the State Sales Tax Rebate it receives in its Special Revenue Funds (See Note 2).

**Basis of Accounting.** The Statement of Net Position (statement A) and Statement of Activities (statement B) display information about the Convention & Visitors Bureau as a whole. These statements include all the financial activities of the Convention & Visitors Bureau. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting.

The Convention and Visitors Bureau uses the following practices in recording revenues and expenses:

**Program Revenues.** Program revenues included in the Statement of activities (statement B) are derived directly from users as a fee for services; program revenues reduce the cost of the function to be financed from the Convention & Visitors Bureau's general revenues.

### ***Fund Equity:***

#### **Equity Classifications.**

#### **Government-Wide Financial Statements.**

In the government-wide financial statements, equity is classified as net position and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Restricted net position is restricted assets reduced by liabilities and deferred inflows of resources related to the restricted assets. Consists of net position with constraints placed on the use either by:

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## WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

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*Notes to Financial Statements, continued*

*December 31, 2023*

1. External groups such as creditors, grantors, contributors, or laws or regulations of other governments, or
  2. Law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

### ***Fund Financial Statements (FFS):***

In the fund financial statements governmental fund equity is classified as fund balance. Fund balance is further classified as follows.

The Convention and Visitors Bureau adopted GASB Statement 54 (GASB Codification Section 1300, Fund Accounting) in the year ended December 31, 2013. As such, fund balances of the governmental fund are classified as follows:

**Non-spendable.** Amount that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

**Restricted.** Amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

**Committed.** Amounts that can be used only for specific purposes determined by a formal decision of the Convention and Visitors Bureau Board of Governors. The Board of Governors is the highest level of decision-making authority for the Visitors and Convention Bureau.

**Assigned.** Amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes.

**Unassigned.** All other spendable amounts.

The Board of Governors is the highest level of decision making authority for the West Baton Rouge Convention and Visitors Bureau. The Council would have to approve a resolution to approve or change any previously approved commitment of fund balance. The Board of Governors is also authorized to approve assigned fund balances. It is the Convention and Visitors Bureau's policy to spend restricted fund balances first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available. It is the Convention and Visitors Bureau's policy to spend committed or assigned fund balances first when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.



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## WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

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*Notes to Financial Statements, continued*

*December 31, 2023*

The West Baton Rouge Convention and Visitors Bureau does not have any policy regarding minimum fund balance amounts. The Board of Governors has authorized the executive director of West Baton Rouge Convention and Visitors Bureau to make fund balance assignments in accordance with GASB Statement 54.

The amounts reflected in the Governmental Fund Statements (statements A and B) are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of the current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the Convention & Visitors Bureau's operations.

The amounts reflected in the Governmental Fund Statements (statements A and B) use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenue are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when related fund liability is incurred and certain compensated absences which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

**Revenues.** Revenues are recognized when they become measurable and available as net current assets. Taxpayer-assessed income, gross receipts, and sales taxes are considered "measurable" when in the hands of collecting governments and are recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain.

**Transfers.** Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sales of fixed assets, debt extinguishment, long-term debt proceeds, et cetera) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements

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## WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

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*Notes to Financial Statements, continued*

*December 31, 2023*

**Budgets and Budgetary Accounting.** The Convention & Visitors Bureau followed these procedures in establishing the budget reflected in these financial statements:

1. The Convention & Visitors Bureau Executive Director and its Conference Center Coordinator prepare a proposed budget and submit it to the treasurer. After examination by the treasurer, the budget is submitted to the Convention & Visitors Bureau's Board of Governors for approval. After approval by the Convention & Visitors Bureau, the budget is submitted to the West Baton Rouge Parish Council. The Parish Council incorporates the Convention & Visitors Bureau Budget into the Parish Council Budget. The Convention & Visitors Bureau Budget is submitted to the Parish Council to allow enough time for the formal budget process followed by the Council to be completed. The Parish Council complies with the State Budget Law.
2. Budgetary amendments involving the transfer of funds from one program or function to another require the approval of the Convention & Visitors Bureau.
3. All budgetary appropriations lapse at the end of each fiscal year.
4. Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP) and are presented on the modified accrual basis of accounting.

**Fair Value Measurements.** In accordance with the provisions of Governmental Accounting Standards Board Statement No. 72, Fair Value Application and Measurement, all investments are reported at fair value with gains and losses included in the statement of revenues and expenditures.

The Bureau categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The three levels of the fair value hierarchy are as follows:

Level 1 – Unadjusted quotes prices for identical assets or liabilities in active markets that the Bureau has the ability to access.

Level 2 – Inputs including:

- Quoted prices for similar assets or liabilities in active markets;
- Quotes prices for identical or similar assets in inactive markets;
- Inputs other than quotes prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs that are unobservable and significant to the fair value measurement.

**Cash.** Cash includes amounts in demand deposits as well as short term certificates with maturity dates within 90 days of the date acquired by the government. These deposits are stated at cost, which approximates market. Under State law, these deposits (or the resulting bank balances) must



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## WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

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*Notes to Financial Statements, continued*

*December 31, 2023*

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 or exceed 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.

As of December 31, 2023, the Bureau has deposits totaling \$1,107,081 (book balances). \$637,173 of the Bureau's \$1,108,709 in deposits (collected bank balances) was exposed to credit risk. These deposits were secured from risk by \$810,169 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3) and none were unsecured and uninsured.

**Investments.** The \$1,951,861 in investments at December 31, 2023 are invested in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.165, these investments are not categorized above because they are not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA – R.S. 33:2955.

GASB Statement No. 40 Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk interest rate risk, and foreign currency risk for all public entity investments. LAMP is an investment pool that, to the extent practical, invest in a manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools:

- **Credit risk:** LAMP is rated AAAm by Standard & Poor's.
- **Custodial credit risk:** LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- **Concentration of credit risk:** Pooled investments are excluded from the 5 percent disclosure requirement.
- **Interest rate risk:** LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to

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## WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

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*Notes to Financial Statements, continued*

*December 31, 2023*

not more than 90 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investments is 70 days as of December 31, 2023.

- Foreign currency risk: Not applicable.

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company. If you have any questions, please feel free to contact the LAMP administrative office at 800-249-5267.

**Risk Management.** The Convention & Visitors Bureau is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. The Bureau purchases commercial insurance policies at levels which management believes is adequate to protect the Bureau. Settled claims resulting from these risks have not exceeded the commercial insurance coverage in any of the past three fiscal years.

**Short Term Interfund Receivables/Payables.** During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due to/from other funds" on the balance sheet. Short-term interfund loans, if any, are classified as "interfund receivables/payables."

**Prepaid Items.** Payments made to vendors for services that will benefit periods beyond December 31 are recorded as prepaid items in both government-wide and fund financial statements.

**Leases.** The Bureau is a lessee for noncancellable lease of office equipment. It recognizes a lease liability and an intangible right-of-use lease asset in the government-wide financial statements. At the commencement of a lease, the Bureau initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The lease asset is initially measured at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

The Bureau uses the interest rate charged by the lessor at the discount rate. When the interest rate charged by the lessor is not provided, the Bureau generally uses the risk-free rate as the discount rate for leases.

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## WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

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*Notes to Financial Statements, continued*

*December 31, 2023*

The Bureau monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

**Long Term Debt.** Long Term Debt obligations to be repaid from governmental resources are reported as liabilities in the government-wide statements.

Long Term Debt for governmental funds is not reported as a liability in the fund financial statements. Bond issue cost is reported as expense in the year of the debt issuance. The debt proceeds are reported as other financing sources, and the payment of principal and interest are reported as expenditures in the fund statements.

**Compensated Absences.** Full-time, permanent employees of the Bureau earn vacation leave and sick leave at various rates depending on the number of years of service. The Bureau's policy allows employees to accumulate unused sick leave up to 180 days and unused vacation leave up to 5 days. An employee is compensated for up to 5 days of unused vacation leave at the employee's hourly rate of pay at the time of termination. Compensatory time is calculated at one and one-half hours for each hour of overtime earned. Upon an employee's retirement, sick leave, not to exceed 30 days, and vacation leave not to exceed 5 days, and compensatory time shall be paid as severance pay. The liability for these compensated absences is recorded as long term debt in the government-wide and proprietary financial statements. However, any matured compensated absences existing at year-end which are payable to currently terminating employees are reported in the governmental funds as wages and benefits payable and on the government-wide and proprietary financial statements as the current portion of compensated absences.

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

**Elimination and Reclassification.** In the process of aggregating data for the statement of net position and the statements of activities, some amounts reported as interfund activity and balances in the funds were eliminated to minimize the "grossing up" effect on assets and liabilities within the statement of position column.

**Current Year Adoption of New Accounting Standards.** The GASB has issued Statement No. 96, "Subscription-Based Information Technology Arrangements." The objective of this Statement is to better meet the information needs of financial statement users by (a) establishing uniform accounting and financial reporting requirements for SBITAs; (b) improving the comparability of financial statements among governments that have entered into SBITAs; and (c) enhancing the understandability, reliability, relevance, and consistency of information about SBITA. The

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## WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

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*Notes to Financial Statements, continued*

*December 31, 2023*

requirements of this Statement are effective for reporting periods beginning after June 15, 2022. The Statement did not have a material effect on the Bureau's financial statements upon implementation.

**Capital Assets.** Capital assets consist of equipment, vehicles, buildings and building improvements and are capitalized at historical costs. The Bureau maintains a threshold level of \$1,000 or more for capitalizing capital assets. These assets, net of accumulated depreciation, are included on the Statement of Net Position. Depreciation for financial reporting purposes is computed by the straight-line method over the useful lives of the assets.

The useful lives are as follows:

Building	40 years
Building improvements	20 years
Furniture, fixtures & equipment	5-10 years
Vehicles	7 years

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

### 2. REVENUE

**Hotel – Motel Tax.** The Convention & Visitors Bureau under the provision of Louisiana Revised Statutes Section 33:4574.1-A levies a four percent tax upon the occupancy of hotel rooms, motel rooms, and overnight camping facilities within the jurisdiction of the commission. The proceeds from this tax are accounted for in the Bureau's General Fund.

**State Sales Tax Rebate.** Under the provisions of Louisiana Revised Statutes Section 47:332.12, the West Baton Rouge Parish Council is entitled to receive a portion of the state sales tax imposed on hotel occupancy within West Baton Rouge Parish. The money is to be used exclusively for the planning, development or capital improvements of tourism sites in West Baton Rouge Parish. The Parish Council has designated the West Baton Rouge Convention & Visitors Bureau to receive and expend these funds on behalf of the Parish Council. The proceeds from this source are accounted for in the Bureau's Special Revenue Fund. The West Baton Rouge Parish Council collects these funds.

During 2023, the Convention & Visitors Bureau recognized income of \$516,293 from the state sales tax rebate. The Parish Council collected and recognized as income all other amounts due to the parish for the state sales tax rebate.

## WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

*Notes to Financial Statements, continued*

*December 31, 2023*

### 3. INTERFUND BALANCES

The Bureau reports interfund balances between its funds. The totals of all balances agree with the sum of interfund balances present in the fund statements. The balances reflected in interfunds represent either routine charges for goods and services or permanent (non-loan) transfers from one fund to another.

Due To	Due From		Total
	General Fund	Enterprise Fund	
General Fund	\$ -	\$ 11,991	\$ 11,991
Enterprise Fund	6,153	-	6,153
<b>Total</b>	<b>\$ 6,153</b>	<b>\$ 11,991</b>	<b>\$ 18,144</b>

### 4. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets for the year ended December 31, 2023 is as follows:

	Beginning of Year	Additions	Reductions	End of Year
Capital assets not being depreciated				
Land	\$ 834,056	\$ -	\$ -	\$ 834,056
Construction in progress	-	9,800	-	9,800
Total capital assets not being depreciated	834,056	9,800	-	843,856
Capital assets being depreciated				
Building & improvements	1,301,128	89,684	-	1,390,812
Christmas display	11,626	-	-	11,626
Office furniture and equipment	258,115	8,050	-	266,165
Right-of-use equipment	29,146	-	-	29,146
Vehicles	33,288	48,000	-	81,288
Total capital assets being depreciated	1,633,303	145,734	-	1,779,037
Less accumulated depreciation and amortization	795,281	92,415	-	887,696
Total capital assets, net depreciation and amortization	838,022	53,319	-	891,341
Total governmental activities capital assets, net	\$ 1,672,078	\$ 63,119	\$ -	\$ 1,735,197



# WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

Notes to Financial Statements, continued

December 31, 2023

## 5. LONG-TERM DEBT

During 2014 the Bureau issued certificates of indebtedness totaling \$250,000. The proceeds were used for repairs and renovations of the convention facilities.

The following is a summary of the Bureau's long-term debt transactions for the year ended December 31, 2023:

Type of Debt	Balance at 12/31/2022	Additions or Bonds Issued	Redeemed and Other Reductions	Balance at 12/31/2023	Due in More Than One Year	Amount due within One Year
<i>Governmental Activities:</i>						
Series 2014	\$ 56,000	\$ -	\$ 28,000	\$ 28,000	\$ -	\$ 28,000
Compensated absences	53,989	48,768	38,509	64,248	64,248	-
Lease liabilities	19,526	-	9,746	9,780	697	9,083
Total governmental long-term debt	\$ 129,515	\$ 48,768	\$ 76,255	\$ 102,028	\$ 64,945	\$ 37,083

Long-term debt payable at 12/31/2023 consisted of the following:

\$250,000 certificates of indebtedness, Series 2014 of the West Baton Rouge Convention & Visitors Bureau, payable annually through December 1, 2024, 3.06% interest	\$ 28,000
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The annual requirements to amortize the long-term debt payable as of December 31, are as follows:

Year Ending December 31,	Principal	Interest
2024	\$ 28,000	\$ 857

## Leases

The Bureau leases office equipment for a multifunctional copier/printer and a postage machine. The lease agreements do not specify an interest rate. The Bureau has estimated liabilities and right-of-use assets using the risk-free rate as of the inception of the leases. The Bureau signed a five-year operating lease effective February 1, 2020, for the multifunctional copier/printer with a monthly base payment of \$697. The Bureau signed a five-year operating lease effective June 1, 2017, for the postage machine with a quarterly base payment of \$395. As of year-end 2023, the Bureau extended this lease for an additional two years. At December 31, 2023, the value of the right-of-use assets was \$29,146 and accumulated amortization was \$19,497. A summary of changes in the Bureau's lease liabilities during the 2023 year are shown in the above summary of long-term debt.

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## WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

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*Notes to Financial Statements, continued*

*December 31, 2023*

Principal and interest payments due on the lease liabilities over the next five years and thereafter are as follows:

Year Ending December 31,	Principal	Interest
<b>2024</b>	\$ 9,083	\$ 75
<b>2025</b>	697	1
	<u>\$ 9,780</u>	<u>\$ 76</u>

### 6. PER DIEM PAYMENTS

There were no per diem payments made during 2023 to board members of the West Baton Rouge Convention & Visitors Bureau.

### 7. LOUISIANA TOURISM REVIVAL FUND

During the 2021 year, the Bureau entered into a cooperative endeavor agreement with the State of Louisiana Division of Administration and received \$932,809 in funds restricted for purposes to promote tourism within the West Baton Rouge Parish through the Coronavirus State and Local Fiscal Recovery Funds for the period of March 3, 2021 through December 31, 2024. Funds are considered unearned until the Bureau meets the eligibility criteria for expenditures. For the 2023 year, the Bureau has earned \$384,464 and currently has a balance of \$110,585 as reported as unearned revenues

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## WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

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*Notes to Financial Statements, continued*

*December 31, 2023*

### 8. RECONCILIATIONS

*Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net position*

Fund balances - total governmental funds \$ 2,940,397

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

Capital assets used in governmental activities are not financial  
statement of resources and, therefore, are not reported in the  
governmental funds

Governmental capital assets	\$ 2,622,892	
Less accumulated depreciation	<u>(887,695)</u>	
		1,735,197

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

Bonds payable	\$ (28,000)	
Lease liabilities	(9,780)	
Compensated absences	<u>(64,248)</u>	
		<u>(102,028)</u>
Net position of governmental activities		<u>\$ 4,573,566</u>



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## WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

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*Notes to Financial Statements, continued*

*December 31, 2023*

***Reconciliation of the Governmental Funds Statement of Revenues,  
Expenditures, Changes in Fund Balances to the Statement of Activities***

Net change in fund balances - total governmental funds \$ 296,899

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

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those  
assets is allocated over their estimated useful lives and  
reported as depreciation expense.

Capital outlay	\$ 155,534	
Depreciation and amortization expense	<u>(92,415)</u>	
		63,119

The issuance of long term debt provides current financial  
resources to governmental funds, while the repayment of  
the principal of long term debt consumes the current  
financial resources of governmental funds. Neither  
transaction, however, has any effect on net assets.

Principal payments	\$ 37,746	
		37,746

Some expenses reported in the statement of activities do not  
required the use of current financial resources and, therefore,  
are not reported as expenditures in governmental funds.

Compensated absences	\$ (10,259)	
		(10,259)

Change in net position of governmental activities		<u>\$ 387,505</u>
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## **WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU**

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*Notes to Financial Statements, continued*

*December 31, 2023*

### **9. NEW ACCOUNTING PRONOUNCEMENTS NOT YET IMPLEMENTED**

GASB Statement 100, Accounting Changes and Error Correction — an amendment of GASB Statement No. 62: The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The Statement is effective for fiscal years beginning after June 15, 2023.

GASB Statement 101, Compensated Absences: The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That object is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The Statement is effective for the fiscal year beginning after December 15, 2023.

Management is currently assessing the impact that the implementation of these pronouncements will have on the basic financial statements, if any.

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## **WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU**

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*Required Supplementary Information*

*December 31, 2023*

**WEST BATON ROUGE CONVENTION & VISITORS BUREAU****Statement of Revenues, Expenditures and****Year Ended December 31, 2023****Changes in Net Position****Budget (Legal Basis) and Actual - General Fund**

	<b>Budgeted Amounts</b>		<b>Actual Amounts GAAP Basis</b>	<b>Nonbudgeted Items and Adjustments</b>	<b>Actual (Budgetary Basis)</b>	<b>Budget to GAAP Differences Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>				
<b>Revenues</b>						
Conference center	\$ 120,000	\$ 120,000	\$ 236,448	\$ 759 <sup>2</sup>	\$ 237,207	\$ 117,207
Special events	-	-	1,263	-	1,263	1,263
Hotel-Motel tax	750,000	750,000	768,210	-	768,210	18,210
Interest income	2,000	2,000	32,173	-	32,173	30,173
Grants and other income	-	-	113,247	-	113,247	113,247
Total revenues	872,000	872,000	1,151,341	759	1,152,100	280,100
<b>Expenditures</b>						
General government						
Advertising and marketing	80,000	80,000	121,942	282 <sup>1</sup>	122,224	(42,224)
Maintenance, repairs and security	65,000	82,000	92,556	1,299 <sup>1</sup>	93,855	(11,855)
Catering expenses	75,000	165,000	141,968	-	141,968	23,032
Office, supplies and postage	15,620	19,145	44,135	344 <sup>1</sup>	44,479	(25,334)
Audit and accounting	60,000	85,000	81,734	(2,790) <sup>1</sup>	78,944	6,056
Insurance	30,000	30,000	22,932	-	22,932	7,068
Salaries, wages and related expenses	559,500	575,000	478,841	488 <sup>1</sup>	479,329	95,671
Utilities & telephone	45,000	45,000	38,738	(663) <sup>1</sup>	38,075	6,925
Capital outlays	5,000	9,500	-	-	-	9,500
Debt service						
Principal	14,000	14,000	9,746	-	9,746	4,254
Interest	-	-	202	-	202	(202)
Total expenditures	949,120	1,104,645	1,032,794	(1,040)	1,031,754	72,891
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>\$ (77,120)</b>	<b>\$ (232,645)</b>	<b>118,547</b>	<b>\$ 1,799</b>	<b>\$ 120,346</b>	<b>\$ 352,991</b>
<b>Total fund balance</b>						
Beginning			697,140			
Ending			<u>\$ 815,687</u>			

**Explanation of differences**<sup>1</sup> Expenditures are budgeted on the cash basis - prior year's accounts payable \$15,389 are added and current year's accounts payable are subtracted \$16,429<sup>2</sup> Revenues are budgeted on the cash basis - prior year's accounts receivable \$6,599 are added and current year's accounts receivable are subtracted \$5,840

**WEST BATON ROUGE CONVENTION & VISITORS BUREAU****Statement of Revenues, Expenditures and  
Changes in Net Position****Year Ended December 31, 2023****Budget (Legal Basis) and Actual - Special Revenue Fund**

	Budgeted Amounts		Actual Amounts GAAP Basis	Nonbudgeted Items and Adjustments	Actual (Budgetary Basis)	Budget to GAAP Differences Favorable (Unfavorable)
	Original	Final				
<b>Revenues</b>						
Special events	\$ 60,000	\$ 34,000	\$ 37,603	\$ -	\$37,603	\$ 3,603
From the State:						
Sales tax rebate	516,000	486,579	516,293	-	516,293	29,714
Interest income	10,000	10,000	107,182	-	107,182	97,182
Grants and other income	328,500	322,500	292,146	-	292,146	(30,354)
Total revenues	914,500	853,079	953,224	-	953,224	100,145
<b>Expenditures</b>						
General government						
Advertising and marketing	503,000	503,000	330,311	(10,473) <sup>1</sup>	319,838	183,162
Maintenance, repairs and security	15,000	15,000	22,150	-	22,150	(7,150)
Office, supplies and postage - Special Events	157,600	207,600	217,235	21,346 <sup>1</sup>	238,581	(30,981)
Intergovernmental	-	-	20,000	-	20,000	(20,000)
Capital outlays	250,000	250,000	155,534	-	155,534	94,466
Debt service						
Principle	28,000	28,000	28,000	-	28,000	-
Interest	857	857	1,642	-	1,642	(785)
Total expenditures	954,457	1,004,457	774,872	10,873	785,745	218,712
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<u>\$ (39,957)</u>	<u>\$ (151,378)</u>	178,352	<u>\$ (10,873)</u>	<u>\$ 167,478</u>	<u>\$ 318,856</u>
<b>Total fund balance</b>						
Beginning			1,946,358			
Ending			<u>\$ 2,124,710</u>			

**Explanation of differences**<sup>1</sup> Expenditures are budgeted on the cash basis - prior year's accounts payable \$89,853 are added and current year's accounts payable are subtracted \$78,980

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## **WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU**

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*Other Supplementary Information*

*December 31, 2023*

**WEST BATON ROUGE CONVENTION & VISITORS BUREAU***Schedule of Compensation, Benefits and Other Payments to  
Agency Head**Year Ended December 31, 2023***Agency Head Name: Kathy Gautreau****Purpose**

Salary	\$ 93,493
Benefits - insurance	11,297
Benefits - retirement	4,560
Cell phone	600
Per Diem	242
Travel - trade shows	3,325
Special meals	391
Uniforms	207
Membership	114
	<u>\$ 114,229</u>

# **BAXLEY AND ASSOCIATES, LLC**

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Hugh F. Baxley, CPA/CGMA – Retired

To the Chairman and Members of the Board  
West Baton Rouge Convention and Visitors Bureau  
Port Allen, LA

## **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***

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the West Baton Rouge Convention and Visitors Bureau, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the West Baton Rouge Convention and Visitors Bureau's basic financial statements and have issued our report thereon dated June 21, 2024.

### **Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the West Baton Rouge Convention and Visitors Bureau's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the West Baton Rouge Convention and Visitors Bureau's internal control. Accordingly, we do not express an opinion on the effectiveness of the West Baton Rouge Convention and Visitors Bureau'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.



**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* (continued)**

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.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the West Baton Rouge Convention and Visitors Bureau's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item 2023-001.

**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.

*Baxley & Associates, LLC*

Plaquemine, Louisiana  
June 21, 2024

# WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

## Schedule of Findings and Responses

December 31, 2023

### Section I-Summary of Audit Results

#### *Financial Statements*

Type of auditor's report issued: Unmodified

Report on Internal Control and Compliance Material to the Financial Statements

- Material Weaknesses   ☐ Yes ☒ No                      Significant deficiencies   ☐ Yes ☒ None noted
- Noncompliance Material to the Financial Statements   ☒ Yes ☐ No

#### *Federal Awards*

N/A – Federal awards below \$750,000 threshold required by the Uniform Guidance

#### *Management Letter*

No management letter issued.

### Section II-Financial Statement Findings

#### Finding 2023-001

#### **Noncompliance- Incentive Pay**

*Criteria:* According to Attorney General Opinion No. 90-128, incentive pay must be adopted formally and be stated in writing, and the grounds for incentive pay must be objective criteria clearly stated in writing. If these requirements are not explicitly stated in advance, the payments are considered bonuses which are prohibited by Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138.

*Condition:* During the audit, it was noted that some employees received incentive pay during the year. There was no written adopted policy, and no clear objective criteria written in advance of the payments.

*Cause:* No formal written policy was stated in writing and adopted, and no grounds for incentive pay had been clearly stated in writing in advance of the payments being made.

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## WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU

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### *Schedule of Findings and Responses*

*December 31, 2023*

*Potential Effect:* The incentive pay did not meet the required criteria.

*Recommendation:* A formal policy should be written and adopted, and objective criteria for receiving incentive pay should be clearly stated in writing in advance of payment.

*View of Responsible Official:* We were not aware that a formal policy was needed in order for employees to receive incentive pay annually. We are in the process of writing and adopting an objective criteria for receiving incentive pay.

**WEST BATON ROUGE CONVENTION & VISITOR'S BUREAU*****Schedule of Prior Findings******December 31, 2023***

Fiscal Year Finding		Description of Finding	Status of the Finding	Current Year Finding Ref No.
RefNo.	Initially Occurred			

There were no prior year findings reported.

## **STATEWIDE AGREED UPON PROCEDURES**

# BAXLEY AND ASSOCIATES, LLC

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Hugh F. Baxley, CPA/CGMA – Retired

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES FOR THE YEAR ENDED DECEMBER 31, 2023

To the **Governing Board of West Baton Rouge Convention & Visitor's Bureau** 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, 2023 through December 31, 2023**. **West Baton Rouge Convention & Visitor's Bureau's** management is responsible for those C/C areas identified in the SAUPs.

**West Baton Rouge Convention & Visitor's Bureau** 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, 2023 through December 31, 2023**. 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**

1. 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:
  - 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/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).
- e) ***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 rates of pay or approval and maintenance of pay rate schedules.
- 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) ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- h) ***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).
- i) ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) ***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.



- l) ***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.

***No exceptions noted.***

## ***2) Board or Finance Committee***

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2. 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 comparisons, at a minimum, on all proprietary funds, and semi-annual budget-to-actual comparisons, 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 fund if those 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.

***No exceptions noted.***

## ***3) Bank Reconciliations***

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3. 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 written 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 or 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.

***No exceptions noted.***

#### ***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 (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then 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 also 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 also 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; and
  - 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, is (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 that the bond or insurance policy for theft was in force 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). *Alternatively, 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 that 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.

**No exceptions noted.**

**5) Non-Payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases)**

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- 8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- 9. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that
  - i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
  - ii. At least two employees are involved in processing and approving payments to vendors;

- iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
  - iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
  - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.
10. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and
- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
  - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.
11. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. *Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.*

**No exceptions noted.**

#### **6) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)**

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select



one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and

- a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
  - b) Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under procedure #7B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

***No exceptions noted.***

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

---

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected
  - i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov));

- ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
- iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and
- iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

***No exceptions noted.***

## **8) Contracts**

---

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and
  - i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;
  - ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
  - iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and
  - iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

***No exceptions noted.***

## **9) Payroll and Personnel**

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- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
  - i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
  - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
  - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
  - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.
- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

**No exceptions noted.**

## **10) Ethics**

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- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and
  - a. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and



- b. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
23. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

***No exceptions noted.***

#### ***11) Debt Service***

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- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

***No exceptions noted.***

#### ***12) Fraud Notice***

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- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
- B. Observe that the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

***No exceptions noted.***

**13) Information Technology Disaster Recovery/Business Continuity**

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- A. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**
- i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
  - ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
  - iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in Payroll and Personnel procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.
- C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:
- Hired before June 9, 2020 - completed the training; and
  - Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

***We performed the procedure and discussed the results with management.***

#### **14) Prevention of Sexual Harassment**

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- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
  - i. Number and percentage of public servants in the agency who have completed the training requirements;
  - ii. Number of sexual harassment complaints received by the agency;
  - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
  - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
  - v. Amount of time it took to resolve each complaint.

#### ***No exceptions noted.***

We were engaged by **West Baton Rouge Convention & Visitor's Bureau** 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 **West Baton Rouge Convention & Visitor's Bureau** and to meet our other ethical responsibilities, in accordance with the 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.

*Baxley & Associates, LLC*

**Plaquemine, Louisiana**

**June 21, 2024**