

**Greater Alexandria Economic
Development Authority**

Audited Financial Statements

**For the Year Ended
December 31, 2023**

Table of Contents

	<u>Page</u>
Independent Auditor’s Report.....	1
Required Supplemental Information (Part I)	
Management’s Discussion and Analysis.....	4
Government-Wide Financial Statements	
Statement of Net Position.....	8
Statement of Activities.....	9
Fund Financial Statements	
Governmental Funds	
Balance Sheet	10
Reconciliation of Fund Balances on the Balance Sheet for Governmental Funds to Net Position of Governmental Activities on the Statement of Net Position	11
Statement of Revenues, Expenditures and Changes in Fund Balance	12
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	13
Notes to Financial Statements.....	14
Required Supplemental Information (Part II)	
Statement of Revenues, Expenditures, and Changes in Fund Balances (Budget and Actual).....	20
Other Supplemental Information	
Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer.....	21
Additional Information	
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	22
Schedule of Findings and Questioned Cost	24
Schedule of Prior Year Findings and Questioned Cost.....	25
Appendix	
Independent Accountant’s Report on Applying Agreed-Upon Procedures.....	26



OESTRIECHER
& COMPANY, CPAs

www.oandcogas.com

Kurt G. Oestriecher, CPA
Heather D. Apostolov, CPA
Dale P. De Selle, CPA
Katy E. McClure, CPA

Emile P. Oestriecher III, Partner Emeritus

Independent Auditor's Report

To the Board of Commissioners
Greater Alexandria Economic Development Authority

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Greater Alexandria Economic Development Authority, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Greater Alexandria Economic Development Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Greater Alexandria Economic Development Authority, as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. 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 the Greater Alexandria Economic Development Authority, 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 opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 Greater

Alexandria Economic Development Authority'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 GAAS and *Government 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 Greater Alexandria Economic Development Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Greater Alexandria Economic Development Authority'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 Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and the budgetary comparison information described in the table of contents 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 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 Greater Alexandria Economic Development Authority's basic financial statements. The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer is other supplemental information presented for purposes of additional analysis 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. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standard

In accordance with *Government Auditing Standards*, we have also issued our report dated February 20, 2024 on our consideration of the Greater Alexandria Economic Development Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Greater Alexandria Economic Development Authority's internal control over financial reporting and compliance.

Oestriecher & Company

OESTRIECHER & COMPANY
Certified Public Accountants
Alexandria, Louisiana

February 20, 2024

GREATER ALEXANDRIA ECONOMIC DEVELOPMENT AUTHORITY MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2023

This section of the annual financial report presents our discussion analysis of the Greater Alexandria Economic Development Authority's financial performance during the fiscal year ended December 31, 2023.

Overview of Financial Statements

The basic financial statements include government-wide financial statements and fund financial statements. These two types of financial statements present the Greater Alexandria Economic Development Authority's financial position and results of operations from differing perspectives which are described as follows:

Government-Wide Financial Statements

The government-wide financial statements report information about the Greater Alexandria Economic Development Authority as a whole using accounting methods similar to those used by private-sector companies. The government-wide financial statements report all revenues and expenses regardless of when cash is received or paid. Furthermore, the government-wide statements include all of the Greater Alexandria Economic Development Authority's assets and all of its liabilities. All of the Authority's activities are classified as governmental activities in the government-wide financial statements. The governmental activities are financed primarily by hotel occupancy taxes.

Fund Financial Statements

Fund Financial statements provide detailed information regarding the Greater Alexandria Economic Development Authority's most significant activities and are not intended to provide information for the Authority as a whole. Funds are accounting devices that are used to account for specific sources of funds. All of the Greater Alexandria Economic Development Authority's funds are Governmental Funds. These funds are used to account for essentially the same functions that are reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, the governmental fund uses a modified accrual basis of accounting that provides a short-term view of the Greater Alexandria Economic Development Authority's finances. Assets reported by governmental funds are limited to amounts that are available for current needs. In addition, liabilities are limited to amounts that are expected to be paid from currently available assets.

**GREATER ALEXANDRIA ECONOMIC DEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS**

December 31, 2023

Financial Analysis of the Authority as a Whole

An analysis of the government-wide Statement of Net Position is presented as follows:

	<u>December 31,</u>	
	<u>2023</u>	<u>2022</u>
<u>Assets:</u>		
Current assets	\$ 1,217,466	\$ 1,272,403
Other assets	69,559	68,872
Prepaid expenses	1,950	1,684
Capital assets	<u>2,306</u>	<u>3,191</u>
Total assets	<u>1,291,281</u>	<u>1,346,150</u>
<u>Liabilities:</u>		
Current liabilities	16,878	13,209
<u>Net Position:</u>		
Invested in capital assets, net	2,306	3,191
Unrestricted	<u>1,272,097</u>	<u>1,329,750</u>
Total net position	<u>\$ 1,274,403</u>	<u>\$ 1,332,941</u>

A substantial portion of the Greater Alexandria Economic Development Authority's net position (99.82%) is unrestricted. GAEDA plans to use a portion of its unrestricted net position to purchase an office space in the near future.

**GREATER ALEXANDRIA ECONOMIC DEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS**

December 31, 2023

An analysis of the government-wide Statement of Activities is presented as follows:

	For the Year Ended <u>December 31,</u>	
	<u>2023</u>	<u>2022</u>
<u>Revenues:</u>		
Program revenue:		
Operating grants and contributions	\$ -0-	\$ -0-
General revenue:		
Hotel occupancy taxes (net of fees)	896,057	900,930
Investment income	1,408	1,899
Other income	<u>877</u>	<u>3,556</u>
Total revenue	898,342	906,385
<u>Program expenses:</u>		
Economic development	<u>956,879</u>	<u>1,143,424</u>
Total expenses	<u>956,879</u>	<u>1,143,424</u>
Change in net position	(58,537)	(237,039)
Net position beginning	<u>1,332,940</u>	<u>1,569,979</u>
Net position ended	<u>\$ 1,274,403</u>	<u>\$ 1,332,940</u>

The core activities of the Authority were substantially the same in 2022 and 2023. The intent of the Board and management is to utilize unrestricted net position to provide economic development opportunities and potentially purchase office space.

GREATER ALEXANDRIA ECONOMIC DEVELOPMENT AUTHORITY MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2023

Financial Analysis of the Authority's Funds

For the year ended December 31, 2023 the governmental fund balance decreased by \$57,652. This decrease is directly attributable to the Authority funding grants to utilize unrestricted fund balance and provide economic development opportunities in Alexandria.

Budget Highlights

For the year ended December 31, 2023, actual revenue exceeded budgeted revenue by \$1,390. Budgeted expenditures exceeded actual expenditures by \$13,849. The Authority had a net positive budget variance of \$15,239 for the year.

Capital Asset Administration

In the current year there were no capital asset acquisitions.

Debt Administration

There was no debt activity in the current year.

Factors Expected to Affect Future Operations

At the present time, no known issues are expected to have a significant impact on future operations.

Greater Alexandria Economic Development Authority
Statement of Net Position - Government Wide
December 31, 2023

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 1,217,466
Taxes receivable	69,559
Other assets	1,950
Depreciable capital assets	2,306
Total Assets	1,291,281
Liabilities	
Accounts payable	16,878
Total Liabilities	16,878
Net Position	
Investment in capital assets	2,306
Unrestricted	1,272,097
Total Net Position	\$ 1,274,403

The notes to the financial statements are an integral part of this statement.

Greater Alexandria Economic Development Authority
Statement of Activities - Government Wide
For the Year Ended December 31, 2023

	Governmental Activities
Expenses:	
Economic development	
Payroll	\$ 223,480
Employee benefits and payroll taxes	73,056
Advertising and marketing	139
Economic development projects	483,713
Travel, training, and conferences	1,824
Insurance	4,088
Legal and professional	82,339
Materials and supplies	15,299
Rent and lease expense	26,400
Utilities and telephone	26,700
Depreciation	885
Other expenses	18,956
Total expenses	956,879
Program revenues:	
Charges for services	-
Operating grants and contributions	-
Capital grants and contributions	-
Net revenues (expenses)	(956,879)
General revenues (expenses):	
Hotel occupancy taxes (net of fees)	896,057
Investment income	1,408
Other income	877
Total general revenues and expenses	898,342
Change in net position	(58,537)
Net position - beginning	1,332,940
Net position - ended	\$ 1,274,403

The notes to the financial statements are an integral part of this statement.

**Greater Alexandria Economic Development Authority
Balance Sheet - Governmental Funds
December 31, 2023**

	General Fund
<u>Assets</u>	
Cash and cash equivalents	\$ 1,217,466
Taxes receivable	69,559
Other assets	1,950
Total Assets	<u>\$ 1,288,975</u>
<u>Liabilities and Fund Balance</u>	
<u>Liabilities</u>	
Accounts payable	16,878
Total Liabilities	16,878
<u>Fund Balance</u>	
Unassigned	1,272,097
Total Fund Balance	1,272,097
Total Liabilities and Fund Balance	<u>\$ 1,288,975</u>

The notes to the financial statements are an integral part of this statement.

**Reconciliation of Fund Balances on the Balance Sheet for
Governmental Funds to Net Position of Governmental
Activities on the Statement of Net Position
December 31, 2023**

Total fund balance-total governmental funds		\$ 1,272,097
Amounts reported for <i>governmental activities</i> in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore the following amounts are not reported in the funds financial statement		
Capital assets	33,619	
Accumulated depreciation	(31,313)	2,306
Net Position of Governmental Activities		\$ 1,274,403

The notes to the financial statements are an integral part of this statement.

**Greater Alexandria Economic Development Authority
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Governmental Funds
For the Year Ended December 31, 2023**

	General Fund
<u>Revenues:</u>	
Hotel occupancy taxes (net)	\$ 896,057
Investment income	1,408
Other income	877
Total revenues	898,342
 <u>Expenditures:</u>	
Economic development	
Payroll	223,480
Employee benefits and payroll taxes	73,056
Advertising and marketing	139
Economic development projects	483,713
Travel, training, and conferences	1,823
Insurance	4,088
Legal and professional	82,339
Materials and supplies	15,299
Rent and lease expense	26,400
Utilities and telephone	26,700
Other expenses	18,957
Total expenditures	955,994
 Net Change in Fund Balance	 (57,652)
Fund Balance - Beginning of Year	1,329,749
 Fund Balance - End of Year	 \$ 1,272,097

The notes to the financial statements are an integral part of this statement.

**Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balance of
Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2023**

Net changes in fund balances-total governmental funds	\$ (57,652)
Amounts reported for <i>governmental activities</i> in the statement of activities are different because:	
Assets are capitalized and depreciated in the government-wide financial statements but expensed when purchased on the fund financial statements.	
Depreciation expense	<u>(885)</u>
Change in net position	<u>\$ (58,537)</u>

The notes to the financial statements are an integral part of this statement.

Greater Alexandria Economic Development Authority
Notes to Financial Statements
December 31, 2023

Note 1 – Summary of Significant Accounting Policies

The Greater Alexandria Economic Development Authority has been established under Louisiana Law to engage in cooperative economic development activities with the City of Alexandria. The Authority's activities are supported by a special tax levied on hotel occupancy. The Authority is governed by the Board of Commissioners, which is appointed by the City of Alexandria.

The accompanying policies conform to generally accepted accounting principles for governmental units.

Financial Reporting Entity

The Governmental Accounting Standards Board (GASB) established criteria for determining which component units should be considered part of a financial reporting entity. The basic criterion for including a potential component unit within a reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criterion includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the reporting entity to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the reporting entity.
2. Organizations for which the reporting entity does not appoint a voting majority but are fiscally dependent on the reporting entity.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

A related organization is an organization for which a primary government is accountable because that government appoints a voting majority of the board, but is not financially accountable.

The City of Alexandria appoints a voting majority of the Authority's board, but is not financially accountable for the Authority. Based on the previous criteria, the Greater Alexandria Economic Development Authority is a related organization of the City of Alexandria. The accompanying financial statements present information only on the funds maintained by the Authority and do not present information on the City of Alexandria.

Greater Alexandria Economic Development Authority
Notes to Financial Statements
December 31, 2023

Basic Financial Statements

The basic financial statements include both government-wide and fund financial statements. Both government-wide and fund financial statements categorize all of the Greater Alexandria Economic Development Authority's operations as governmental activities. Governmental activities involve government services that are normally supported by taxes and intergovernmental revenues.

The government-wide and fund financial statements present the Greater Alexandria Economic Development Authority's financial position and results of operations from differing perspectives which are described as follows:

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the Authority as a whole. The effect of any interfund activity is eliminated from these financial statements.

Program revenues reported in the Statement of Activities consist of amounts that are directly associated with a governmental service. Program revenues include charges for services, contributions to specific programs, and most grants.

Fund Financial Statements

Funds are separate accounting entities that are designed to assist with demonstrating legal compliance and segregating transactions by activity. Major individual funds are reported as separate columns in the fund financial statements. At the present time, the Authority's only fund is the general fund, which is the primary operating fund, and it is used to account for all resources.

Basis of Accounting and Measurement Focus

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The basis of accounting and measurement focus used for various financial statement presentations are described as follows:

<u>Financial Statement Presentation</u>	<u>Basis of Accounting</u>	<u>Measurement Focus</u>
Government-Wide Financial Statements	Accrual Basis	Economic Resources
Fund Financial Statements	Modified Accrual Basis	Current Financial Resources

Greater Alexandria Economic Development Authority
Notes to Financial Statements
December 31, 2023

Under the accrual basis of accounting and the economic resources measurement focus, revenues are recorded when earned and expenses are recorded when a liability is incurred.

Under the modified accrual basis of accounting and the current financial resources measurement focus revenue is recognized when it is considered measurable and available. Revenue is generally considered available if it is collected within 30 days of year end or may otherwise be available to finance current expenditures. In addition, expenses are generally recorded when a liability has been incurred. Furthermore, when the current financial resources measurement focus is used, amounts recorded as assets exclude capital assets and the acquisition of capital assets is treated as an expenditure. In addition, long-term debts are excluded from amounts reported as liabilities.

Proceeds from issuing long-term debt are reported as another financing source and repayment of long-term debt is reported as an expenditure.

Restricted Assets

Any amounts reported as restricted assets represent resources that must be expended in a specific manner. Restrictions of this nature can be imposed by tax propositions and various contractual obligations including grant agreements and bond covenants. Whenever restricted assets can be used to satisfy an obligation, the restricted assets are typically consumed before utilizing any unrestricted resources.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Budget Practices

The Board of Commissioners adopts annual budgets in the manner prescribed by State Law. These budgets present revenue and expenditures on a basis which is consistent with generally accepted accounting principles.

Capital Assets

Capital Assets include facility improvements and equipment that are expected to remain in service for a period of years. Capital assets are reported in the government-wide financial statements but are excluded from the fund financial statements. Instead, the funds report the acquisition of capital assets as expenditures rather than asset acquisitions.

All capital assets are reported at historical cost less accumulated depreciation. Depreciation is computed by using the straight-line method and estimated useful lives that are based on the expected durability of the particular asset. Useful lives are 5 and 7 years.

Greater Alexandria Economic Development Authority
Notes to Financial Statements
December 31, 2023

Cash

Amounts reported as cash and cash equivalents (restricted and unrestricted) include all cash on hand, cash in bank accounts, certificates of deposit, and highly liquid investments.

Receivables

Receivables are charged against income as they become uncollectible. In the opinion of management, all receivables at year-end were considered collectible, and an allowance for doubtful accounts was not considered necessary.

Accrued Leave

Fulltime employees earn vacation at rates that vary depending on length of service. A maximum of 80 hours of accrued leave are allowed to accumulate. As of December 31, 2023, no significant Accrued Leave Liability existed and no significant remaining vacation time was accrued by employees.

Internal Balances

Internal balances arise from transactions between funds. When resources are provided without expectation of repayment, the transaction is reported as a transfer. Transfers are treated as a source of income by the recipient and as an expense or expenditure by the provider. If repayment is eventually expected to occur, interfund receivable and payable are recorded. Internal balances are eliminated in preparing government-wide financial statements.

Fund Balance Classifications

Commitment or assignment of fund balances requires approval of a majority of the Greater Alexandria Economic Development Authority's Governing Board based on a vote conducted in an open meeting. When expenditures comply with the necessary provisions restricted, committed, or assigned amounts are generally consumed rather than utilizing unassigned funds.

Note 2 – Cash and Cash Equivalents

Deposits in financial institutions totaled \$1,226,473. These deposits are secured from risk by \$250,000 in Federal Deposit Insurance per bank and pledged securities with a market value of \$1,154,978. The pledged securities are held by a custodial bank in the name of the pledging institutions (fiscal agent). However, State Law imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten (10) days of being notified that the fiscal agent has failed to pay deposited funds upon demand. The Greater Alexandria Economic Development Authority limits credit risk by requiring pledged securities in the manner described above.

Greater Alexandria Economic Development Authority
Notes to Financial Statements
December 31, 2023

Note 3 – Receivables

Accounts receivable at year end are summarized as follows:

Hotel Occupancy Tax	\$ 69,559
---------------------	-----------

Note 4 – Capital Assets

A summary of the Greater Alexandria Economic Development Authority’s capital assets is provided as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Leasehold improvements	\$ 27,850	\$ -0-	\$ -0-	\$ 27,850
Equipment	5,769	-0-	-0-	5,769
Less: accumulated depreciation	<u>(30,428)</u>	<u>(885)</u>	<u>-0-</u>	<u>(31,313)</u>
Total, net of depreciation	\$ 3,191	\$ (885)	\$ -0-	\$ 2,306

Depreciation expense for the year ended December 31, 2023 was \$885.

Note 5 – Payables

Accounts payable at year end are summarized as follows:

Accounts payable to vendors	\$ 10,628
Grants payable to recipients	<u>6,250</u>
Total payables	<u>\$ 16,878</u>

Note 6 – Leases

The Authority has acquired certain facilities necessary for operations by executing lease agreement for office space. The lease was renewed in December 2022 for twelve months beginning January 1, 2023 and ending December 31, 2023; a rental payment of \$2,200 is due on a monthly basis. Lease expense for the year ended December 31, 2023 was \$26,400. The Authority entered into a new lease agreement in December 2023 at a rate of \$2,200 for the one-year period beginning January 1, 2024 and ending December 31, 2024.

Future minimum payments are as follows:

2024	26,400
------	--------

Greater Alexandria Economic Development Authority
Notes to Financial Statements
December 31, 2023

The Authority entered into an operating lease for a copier on December 8, 2021 for 36 months. The lease period began on December 1, 2022 and ending on November 30, 2024; a payment of \$320 is due on a monthly basis. The expense related to this lease agreement for the year December 31, 2023 was included in materials and supplies and totaled \$3,840.

Future minimum payments are as follows:

2024	3,520
------	-------

Note 7 – Risk Management

The Authority 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 disaster. These risks of loss are covered by a comprehensive commercial insurance policy and workers compensation insurance. Claims resulting from these risks have historically not exceeded insurance coverage.

Note 8 – Retirement Plan

The Authority participates in the Greater Alexandria Economic Development Authority §457(b) non-qualified, deferred compensation plan (the “Plan”) through Metropolitan Life Insurance Company. Under the terms of the Plan, employees are allowed to contribute a portion of the compensation to the plan and the Authority provides certain matching contributions. For the year ended December 31, 2023, the Authority funded the retirement plan in the amount of \$16,000 on January 3, 2023.

Note 9 – Long-Term Liabilities

As of December 31, 2023, the Authority had no outstanding debt attributable to the Authority’s activities.

Note 10 – Economic Development Projects

During the year ended December 31, 2023, the Authority awarded \$483,713 for economic development projects organized by grantee organizations.

Note 11 – Subsequent Events

Management has evaluated subsequent events through February 20, 2024, the date on which the financial statements were available to be issued.

Greater Alexandria Economic Development Authority
Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Year Ended December 31, 2023

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts Original	Budget Amounts Final	Actual Amounts	
Revenues:				
Occupancy taxes, net	\$ 879,550	\$ 894,666	\$ 896,057	\$ 1,391
Investment income	2,000	1,409	1,408	(1)
Other income	-	877	877	-
Total revenues	<u>881,550</u>	<u>896,952</u>	<u>898,342</u>	<u>\$ 1,390</u>
Expenditures:				
Economic development				
Payroll	232,330	232,330	223,480	8,850
Employee benefits and payroll taxes	70,874	73,830	73,056	774
Advertising and marketing	3,000	140	139	1
Economic development projects	400,000	485,000	483,713	1,287
Travel, training and conferences	5,000	2,000	1,823	177
Insurance	4,050	4,100	4,088	12
Legal and professional	78,080	82,343	82,339	4
Materials and supplies	16,420	15,300	15,299	1
Meetings	3,500	-	-	-
Rent and lease expense	28,500	28,500	26,400	2,100
Utilities and telephone	30,520	27,000	26,700	300
Other expenses	6,100	19,300	18,957	343
Total expenditures	<u>878,374</u>	<u>969,843</u>	<u>955,994</u>	<u>13,849</u>
Change in fund balance before other sources and uses	3,176	(72,891)	(57,652)	15,239
Other sources and uses				
Capital expenditures	(729,000)	-	-	-
Prior year reserve	729,000	75,000	-	75,000
Net Change in Fund Balance	3,176	2,109	(57,652)	90,239
Fund Balance - Beginning of Year	<u>1,329,749</u>	<u>1,329,749</u>	<u>1,329,749</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ 1,332,925</u>	<u>\$ 1,256,858</u>	<u>\$ 1,272,097</u>	<u>\$ 15,239</u>

**Greater Alexandria Economic Development Authority
Schedule of Compensation, Benefits and Other Payments to
Agency Head or Chief Executive Officer
For the Year Ended December 31, 2023**

	<u>Clifford Moller</u>
<u>Purpose</u>	
Salary	\$ 157,017
Benefits - insurance	16,032
Benefits - retirement contributions	8,000
Benefits - H S A contributions	6,300
Conference & travel	<u>-</u>
 Total compensation, benefits and other payments to agency head or chief executive officer	 <u>\$ 187,349</u>



OESTRIECHER
& COMPANY, CPAs

www.oandcogas.com

Kurt G. Oestriecher, CPA
Heather D. Apostolov, CPA
Dale P. De Selle, CPA
Katy E. McClure, CPA

Emile P. Oestriecher III, Partner Emeritus

**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***

To the Board of Commissioners
Greater Alexandria Economic Development Authority

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Greater Alexandria Economic Development Authority, as of and for the year ended December 31, 2023, and have issued our report thereon dated February 20, 2024. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Greater Alexandria Economic Development Authority's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Greater Alexandria Economic Development Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of Greater Alexandria Economic Development Authority's internal control over financial reporting.

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.

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

Compliance

As part of obtaining reasonable assurance about whether Greater Alexandria Economic Development Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance and is reported as finding 2023-001 in the Schedule of Findings and Questioned Costs.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing and 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Oestriecher & Company

OESTRIECHER & COMPANY
Certified Public Accountants
Alexandria, Louisiana

February 20, 2024

**Greater Alexandria Economic Development Authority
Schedule of Findings and Questioned Cost
For the Year Ended December 31, 2023**

Section I – Summary of Auditor’s Results

1. The auditor’s report expresses an unqualified opinion on the basic financial statements of the Greater Alexandria Economic Development Authority.
2. No material weaknesses were disclosed during the audit of the basic financial statements.
3. One instance of noncompliance was disclosed during the audit of the basic financial statements.

Section II – Financial Statement Findings

Finding 2023-001 – Timing of Benefits Payments

Statement of Condition: The Authority paid the annual employer portion of the HSA and Retirement contribution in January of 2023.

Criteria: Louisiana law does not allow the transfer of public property without commensurate value in return.

Effect of Condition: The payment of annual benefits in a manner other than ratably over the period of service may be considered a transfer of public property that is not in compliance with Louisiana law.

Cause of Condition: Management transferred the employer obligation early in the year in an effort to maximize earnings in the plan and did not consider the transfer to be in violation of the law.

Recommendation: The Authority should pay all employer contributions to benefit plans ratably over the year, preferably on payroll dates.

Questioned costs: -0-

Section III – Federal Award Findings and Questioned Costs

There were no federal awards.

**Greater Alexandria Economic Development Authority
Schedule of Prior Year Findings and Questioned Cost
For the Year Ended December 31, 2023**

MANAGEMENT’S CORRECTIVE ACTION PLAN

The Greater Alexandria Economic Development Authority respectfully submits the following corrective action plan for the year ended December 31, 2023.

Name and address of contact person: Ms. Angela Varnado, 201 Johnston Street, Suite 601, Alexandria, LA 71301

Name and address on independent public accounting firm: Oestrieher & Company, CPAs, 4641 Windermere Place, Alexandria, LA 71303

Audit period: January 1, 2023 through December 31, 2023

The findings from the Schedule of Findings and Questioned Costs are discussed below. The findings are numbered consistently with the number assigned in the schedule.

Section I – Internal Control and Compliance Material to the Financial Statements

Finding 2023-001 – Timing of Benefit Payments

Recommendation: The Authority should pay all employer contributions to benefit plans ratably over the year, preferably on payroll dates.

Action Taken: The Authority will begin remitting employer contribution to employee benefit plans ratably over the year and will make such payments on payroll dates. The 2024 benefits were already paid when the audit report was completed, therefore this policy will take effect in January of 2025.

Section II – Internal Control and Compliance Material to Federal Awards

Findings: No findings were reported in the schedule of findings and questioned costs.

Response: N/A

Section III – Management Letter

Findings: No management letter was issued with this report.

Response: N/A



INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of Greater Alexandria Economic Development Authority 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. Greater Alexandria Economic Development Authority's management is responsible for those C/C areas identified in the SAUPs.

Greater Alexandria Economic Development Authority 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*

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
- i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
Finding: No exceptions noted
 - ii. ***Purchasing***, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.
Finding: No exceptions noted

- iii. **Disbursements**, including processing, reviewing, and approving.
Finding: No exceptions noted
- iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
Finding: No exceptions noted
- v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
Finding: The written polices related to payroll/personnel include information on all required elements with the exception of reviewing and approving time/attendance records and the approval process for employees' rate of pay. Although these items were not listed in the entity's written policies and procedures, the entity maintained attendance records. Additionally, all employee rates of pay were approved by the board.
Management's Response: GAEDA does not currently employ part time employees that are subject to time sheets. Salaried employees are not required to maintain time records. In the event GAEDA hires a part-time employee, the required time sheets will be reviewed by the Executive Director.
- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
Finding: No exceptions noted
- vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
Finding: No exceptions noted
- viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
Finding: No exceptions noted
- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is

maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

Finding: No exceptions noted

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

Finding: N/A. The entity has no debt.

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

Finding: No exceptions noted

- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Finding: No exceptions noted

2) Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and

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

Finding: No exceptions noted

- ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget- to-actual, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

Finding: No exceptions noted

- 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.

Finding: No exceptions noted

- 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.

Finding: No exceptions noted

3) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

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

Finding: No exceptions noted

- 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 (e.g., initialed and dated, electronically logged); and

Finding: No exceptions noted

- 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.

Finding: 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).

Finding: There is only one deposit site, the main office.

- 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;
Finding: No exceptions noted
 - 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;
Finding: The employee responsible for making the deposit is the same employee that collects the cash due to limited number of employees.
 - 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
Finding: No exceptions noted
 - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
Finding: No exceptions noted
- 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.
Finding: No exceptions noted
- 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.
Finding: Sequentially pre-numbered receipts were not used by the Authority.

Management's Response: Due to the extremely low volume of cash receipts, prenumbered receipts will not be used by The Authority.

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

Finding: Sequentially pre-numbered receipts were not used by the Authority. Deposit slip was traced to other supporting documentation and no exceptions were noted.

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

Finding: No exceptions noted

- 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).

Finding: No exceptions noted

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

Finding: No exceptions noted

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

- A. 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).

Finding: No exceptions noted

- B. 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;

Finding: No exceptions noted

- ii. At least two employees are involved in processing and approving payments to vendors;

Finding: No exceptions noted

- 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;

Finding: No exceptions noted

- 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

Finding: The employee responsible for processing payments also mails the signed checks.

Management's Response: Due to the limited number of employees, all transactions are reviewed by a board member who is not responsible for processing payments.

- 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.

Finding: No exceptions noted

[Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

- C. 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

Finding: No exceptions noted

- 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.

Finding: No exceptions noted

- D. 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.

Finding: 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.

Finding: The Authority has one credit card.

- 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

- i. 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

Finding: No exceptions noted

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

Finding: No exceptions noted

- 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.

Finding: 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);
Finding: No reimbursements using a per diem
 - ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
Finding: No reimbursements using actual costs
 - 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
Finding: No reimbursements during the audit period
 - iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.
Finding: No reimbursements during the audit period

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;
Finding: No contracts subject to bid
 - 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);
Finding: No exceptions noted

- 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

Finding: No amended contracts

- 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.

Finding: No exceptions noted

9) Payroll and Personnel

- 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.

Finding: No exceptions noted

- 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);

Finding: No exceptions noted

- ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;

Finding: No exceptions noted

- iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and

Finding: No exceptions noted

- iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

Finding: No exceptions noted

- 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.

Finding: No employees were terminated during the period

- 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.

Finding: No exceptions noted

10) Ethics

- 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

Finding: No exceptions noted.

- 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.

Finding: No exceptions noted

- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Finding: The Authority has designated the attorney as the ethics designee.

11) Debt Service

- 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.

Finding: NA. The Authority has no debt.

- 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).

Finding: N/A The Authority has no debt.

12) Fraud Notice

- 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.

Finding: No misappropriations were incurred during the period.

- 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.

Finding: The notice is posted at the entrance to the Authority.

13) Information Technology Disaster Recovery/Business Continuity

- 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.

Finding: The Authority provided written documentation of the back up procedures from the IT provider.

- 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.

Finding: The Authority provided written documentation of the verification test from the IT provider.

- 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.

Finding: There is currently one computer in use. The antivirus software is active.

- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Finding: No terminated employees

- 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
- Hired on or after June 9, 2020 – completed the training within 30 days of initial service or employment

Finding: The selected employees did not receive the training as required by R.S. 42:1267.

Management response: The required cybersecurity training will be obtained as soon as practical.

14) Prevention of Sexual Harassment

- 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.

Finding: No exceptions noted

- 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).

Finding: The policy is posted

- 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;
Finding: No exceptions noted
- ii. Number of sexual harassment complaints received by the agency;
Finding: No exceptions noted
- iii. Number of complaints which resulted in a finding that sexual harassment occurred;
Finding: No exceptions noted
- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
Finding: No exceptions noted
- v. Amount of time it took to resolve each complaint.
Finding: No exceptions noted

We were engaged by Greater Alexandria Economic Development Authority 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 Greater Alexandria Economic Development Authority 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.

Oestrieher & Company

OESTRIECHER & COMPANY
Certified Public Accountants
Alexandria, Louisiana

February 20, 2024