

LINCOLN PARISH GEOGRAPHIC
INFORMATION SYSTEM DISTRICT
RUSTON, LOUISIANA

Financial Statements
For the Year Ended December 31, 2019

LINCOLN PARISH GEOGRAPHIC INFORMATION SYSTEM DISTRICT
RUSTON, LOUISIANA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors,
Lincoln Parish Geographic Information System District
Ruston, Louisiana

Report on the Financial Statements

I have audited the accompanying primary government financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Lincoln Parish Geographic Information System District (which is the "District" as well as "the primary government"), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

To the Board of Commissioners
Lincoln Parish Geographic Information System District
Ruston, Louisiana

Unmodified Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Lincoln Parish Geographic Information System District, as of December 31, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Budgetary Comparison Information on pages 4-6 and 20-21 be presented to supplement the financial statements. Such information, although not a part of the 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.

I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's primary government financial statements. The introductory section, combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

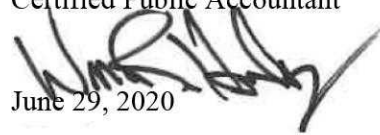
The combining and individual nonmajor fund financial statements; the schedule of compensation, reimbursements, benefits and other payments to agency head, political subdivision head, or chief executive officer; and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the combining and individual nonmajor fund financial statements; the schedule of compensation, reimbursements, benefits and other payments to agency head, political subdivision head, or chief executive officer; and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the financial statements as a whole.

To the Board of Commissioners
Lincoln Parish Geographic Information System District
Ruston, Louisiana

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated June 29, 2020, on my consideration of the District's internal control over financial reporting and on my 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 my testing of internal control over financial reporting and compliance and the results of the 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 Lincoln Parish Geographic Information System District's internal control over financial reporting and compliance.

WILLIAM R. HULSEY, (APAC)
Certified Public Accountant



June 29, 2020

REQUIRED SUPPLEMENTAL INFORMATION (PART A)
MANAGEMENT'S DISCUSSION AND ANALYSIS

**LINCOLN PARISH GEOGRAPHIC INFORMATION SYSTEM DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)**

Our discussion and analysis of the Geographic Information System District provides an overview of the District’s activities for the year ended December 31, 2019. Please read it in conjunction with the District’s financial statements.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the District as a whole.

**Reporting the District as a Whole
The Statement of Net Position and the Statement of Activities**

These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector entities. All of the current year’s revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District’s net position and changes in them. The District’s net position (the difference between assets and liabilities) measure the District’s financial position. The increases or decreases in the District’s net position are an indicator of whether its financial position is improving or not.

THE DISTRICT AS A WHOLE

For the year ended December 31, 2019 and 2018, net position changed as follows:

	2019		2018
Beginning Net Position, Restated	\$ 799,015		\$ 757,057
Increase	18,826		62,235
Ending Net Position	\$ 817,841		\$ 819,292

THE DISTRICT'S FUNDS

The following schedule presents a summary of revenues and expenditures for the years ended December 31, 2019 and 2018:

Revenues	2019 Amount	Percent Of Total	2018 Amount	Percent Of Total
User Fees	\$512,861	94.75%	\$495,609	73.94%
Construction Permit Fees	28,425	5.25%	174,717	26.06%
Total Revenues	\$541,286	100.00%	\$670,326	100.00%

Expenditures	2018 Amount	Percent Of Total	2018 Amount	Percent Of Total
Public Safety	\$460,655	88.17%	\$580,650	89.73%
Computer Hardware	61,805	11.83%	66,437	10.27%
Total Expenditures	\$522,460	100.00%	\$647,087	100.00%

BUDGETARY HIGHLIGHTS

The District's total actual revenues in its general fund were over its budgeted revenues by \$3,989 for 2019. The District's total budgeted expenditures in its general fund were over its actual expenditures by \$943 for 2019. This is attributed primarily to a new contractor for construction permits and new pricing for construction permits.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At December 31, 2019, the District had \$43,330 invested in capital assets as follows:

Asset	December 31, 2018 Balance	Additions	Disposals	December 31, 2019 Balance
Machinery and Equipment	\$ 160,831	\$ -	\$ -	\$ 160,831
Total Capital Assets	160,831	-	-	160,831
Less: Accumulated Depreciation	(112,637)	(4,864)	-	(117,501)
Total Capital Assets, Net	\$ 48,194	(\$ 4,864)	\$ -	\$ 43,330

Debt

At year end, the District's only debt was \$5,065 for compensated absences.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The District's revenues are derived from user fees and construction permit fees. Recently the District renegotiated their operating agreement with a new inspector, significantly improving the cost of issuing construction permits. This change should improve the operations of the District fully in 2020.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the following:

Contact Person: Clint Williams
Title: Chairman

GOVERNMENT-WIDE FINANCIAL STATEMENTS

LINCOLN PARISH GEOGRAPHIC INFORMATION SYSTEM DISTRICT
RUSTON, LOUISIANA
STATEMENT OF NET POSITION
DECEMBER 31, 2019

	<u>Governmental Activities</u>
<i>Assets</i>	
Cash	\$ 751,694
Accounts Receivable	20,680
Due From Other Governments - LPPJ	19,200
Capital Assets:	
Depreciable	<u>43,330</u>
Total Assets	<u>834,904</u>
 <i>Liabilities</i>	
Accounts Payable	11,479
Due To Other Governments	519
Compensated Absences	<u>5,065</u>
Total Liabilities	<u>17,063</u>
 <i>Net Position</i>	
Net Investment in Capital Assets	43,330
Unrestricted	<u>774,511</u>
Total Net Position	<u><u>\$ 817,841</u></u>

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

LINCOLN PARISH GEOGRAPHIC INFORMATION SYSTEM DISTRICT
RUSTON, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
Function/Program Activities	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Government Activities:					
Public Safety	\$ 522,460	\$ 541,286	\$ -	\$ -	\$ 18,826

General Revenues:

Interest Earned	-
Changes in Net Positon	18,826
Net Position - Beginning, Restated	799,015
Net Position - Ending	\$ 817,841

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

FUND FINANCIAL STATEMENTS

LINCOLN PARISH GEOGRAPHIC INFORMATION SYSTEM DISTRICT
RUSTON, LOUISIANA
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2019

	GIS Mapping Fund	GIS Project Reserve Fund	Total Governmental Funds
ASSETS			
Cash	\$ 565,567	\$ 186,127	\$ 751,694
Accounts Receivable	20,598	82	20,680
Due From Other Governments - LPPJ	19,200	-	19,200
Due From Other Funds	-	112,686	112,686
TOTAL ASSETS	\$ 605,365	\$ 298,895	\$ 904,260
LIABILITIES			
Accounts Payable	\$ 11,479	\$ -	\$ 11,479
Due To Other Governments	519	-	519
Due To Other Funds	112,686	-	112,686
Total Liabilities	124,684	-	124,684
FUND BALANCE			
Assigned	-	298,895	298,895
Unassigned	480,681	-	480,681
Total Fund Balances	480,681	298,895	779,576
TOTAL LIABILITIES AND FUND BALANCE	\$ 605,365	\$ 298,895	\$ 904,260

LINCOLN PARISH GEOGRAPHIC INFORMATION SYSTEM DISTRICT
RUSTON, LOUISIANA
RECONCILIATION OF TOTAL GOVERNMENTAL
FUND BALANCES TO NET POSITION OF
GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2019

Total Governmental Fund Balances	\$ 779,576
<i>Amounts reported for governmental activities in the statement of net position are different</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	43,330
Compensated absences are not due and payable in the current period and therefore are not reported in the funds.	<u>(5,065)</u>
Net Position of Governmental Activities	<u>\$ 817,841</u>

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

LINCOLN PARISH GEOGRAPHIC INFORMATION SYSTEM DISTRICT
RUSTON, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	GIS Mapping Fund	GIS Project Reserve Fund	Total Governmental Funds
Revenues:			
User Fees	\$ 512,831	\$ 30	\$ 512,861
Construction Permit Fees	28,425	-	28,425
Total Revenues	<u>541,256</u>	<u>30</u>	<u>541,286</u>
Expenditures:			
Public safety			
Salaries & Related Expenses	307,833	-	307,833
Utilities	2,966	-	2,966
Telephone	3,076	-	3,076
Internet Service	14,977	-	14,977
Contract Labor	11,759	-	11,759
Professional Services	101,593	-	101,593
Office Supplies & Expense	11,041	-	11,041
Travel	3,523	-	3,523
Computer Hardware & Software	61,805	-	61,805
Total Expenditures	<u>518,573</u>	<u>-</u>	<u>518,573</u>
Excess (Deficiency) of Revenues Over Expenditures	22,683	30	22,713
Other Financing Sources (Uses):			
Operating Transfers In	-	22,683	22,683
Operating Transfers Out	<u>(22,683)</u>	<u>-</u>	<u>(22,683)</u>
Total Other Financing Sources (Uses)	<u>(22,683)</u>	<u>22,683</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures And Other Uses	-	22,713	22,713
Fund Balance, Beginning	<u>480,681</u>	<u>276,182</u>	<u>756,863</u>
FUND BALANCE, ENDING	<u>\$ 480,681</u>	<u>\$ 298,895</u>	<u>\$ 779,576</u>

LINCOLN PARISH GEOGRAPHIC INFORMATION SYSTEM DISTRICT
RUSTON, LOUISIANA
RECONCILIATION OF THE STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

Net Change in Fund Balances - Total Governmental Funds	\$	22,713
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:

Depreciation Expense		(4,864)
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The increase in compensated absences liability is recorded as an expense in the statement of activities.		<u>977</u>
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Change in Net Position in Governmental Activities	\$	<u><u>18,826</u></u>
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The accompanying notes are an integral part of this financial statement.

LINCOLN PARISH GEOGRAPHIC INFORMATION SYSTEM DISTRICT
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Lincoln Parish Geographic Information System District (the "District") was created by the Police Jury of Lincoln Parish for the purpose of the development and application of geographic information systems, including but not limited to base data regarding property ownership, population, demographics, political boundaries, emergency service areas, etc. The District may also assist with homeland security and emergency preparedness. The governing body of the District consists of a seven-member Board of Commissioners.

The District complies with accounting principles generally accepted in the United States of America (GAAP). GAAP includes all relevant Government Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989 have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent sections of this note.

Basis of Presentation

In June, 1999, the GASB unanimously approved statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. Certain of the significant changes in the presentation of its funds financial information include, for the first time a Management Discussion and Analysis (MD&A) section providing an analysis of the District's overall financial position and results of operations and financial statements prepared using full accrual accounting for all fund activities. These and other changes are reflected in the accompanying financial statements including the notes to the financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements – The governmental-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements – The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year end.

Principal revenue sources considered susceptible to accrual are federal grants, interest on investments, sales and income taxes, and lease payments receivable. Some revenue items that are considered measurable and available to finance operations during the year from an accounting perspective are not available for expenditure due to the District's present appropriation system. These revenues have been accrued in accordance with accounting principles generally accepted in the United States of America since they have been earned and are expected to be collected within sixty days of the end of the period.

LINCOLN PARISH GEOGRAPHIC INFORMATION SYSTEM DISTRICT
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Other revenues are considered to be measurable and available only when cash is received by the District. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Modifications to the accrual basis of accounting include:

- Employees' vested annual leave is recorded as an expenditure when utilized. The amount of accumulated annual leave unpaid at December 31, 2019 has been reported only in the government-wide financial statements.
- Interest on general long-term obligations is recognized when paid.
- Debt service expenditures are recorded only when payment is due.

Fund Accounting

The financial activities of the District are recorded in individual funds, each of which is deemed to be a separate accounting entity. The District uses fund accounting to report on its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Governmental Funds

General Fund – The GIS Mapping Fund is the general operating fund for the Lincoln Parish Geographic Information System District. It is used to account for all financial sources and uses of the Geographic Information System District, except those required to be accounted for in other funds.

Special Revenue Fund – The Special Revenue Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The GIS Project Reserve fund was established in 1994 to account for funds to replace equipment.

Use of Estimates

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

Budgets and Budgetary Accounting

The budget for the General Fund is proposed by the Director and formally adopted by the Commissioners. The budget is prepared on a basis consistent with generally accepted accounting principles (GAAP). Budgetary amendments involving the transfer of funds from one function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require approval of the Commissioners. At year end, all appropriations lapse.

LINCOLN PARISH GEOGRAPHIC INFORMATION SYSTEM DISTRICT
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

Louisiana statutes permit the District to invest in United States' bonds, treasury notes, or certificates, or other obligations of the U.S. Government and agencies of the U.S. Government which are federally insured, and certificates of deposit of state banks having their principal office in the State of Louisiana, or in mutual or trust fund institutions which are registered and which have underlying investments limited to securities of the U.S. Government or its agencies.

The District's policy is to include short-term interest bearing deposits with a maturity of three months or less as cash in the financial statements.

Valuation of Carrying Amounts of Deposits

Cash is reported at net book value - the year end bank balance plus any deposits in transit and less any outstanding checks that have not cleared the bank as of that date.

Fund Equity

GASB Statement No. 54 establishes standards for five fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in government funds. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned and unassigned.

Restricted Fund Balance – This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Board of Commissioners – the government's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the Board of Commissioners remove the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Fund Balance – This classification reflects the amounts constrained by the Board's "intent" to be used for specific purposes, but are neither restricted nor committed. The Board and management have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the general fund, that are not classified as nonspendable and are neither restricted nor committed.

LINCOLN PARISH GEOGRAPHIC INFORMATION SYSTEM DISTRICT
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Equity (Continued)

Unassigned Fund Balance – This fund balance is the residual classification for the general fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the Board's policy to use externally restricted resources first, then unrestricted resources – committed, assigned and unassigned – in order as needed.

Receivables

All receivables are recorded at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Interfund Transactions

Quasi-external transactions are accounted for as revenue and expenditures. Transactions that constitute reimbursements to a fund are recorded as expenditures in the reimbursing fund and as reduction of expenditures in the fund that is reimbursed. All other interfund transactions that are not to be repaid are recorded as transfers.

Fixed Assets

Fixed assets of the District are stated at cost and are reported in the government-wide financial statements. Depreciation of all exhaustible fixed assets is charged as an expense against operations. Depreciation is computed using the straight-line method over the estimated useful lives of 5 years.

Compensated Absences

Employees accrue from five to fifteen days of annual and sick leave each year depending on years of service with the Geographic Information System District. Annual leave must be used in the year it is earned. Sick leave, up to a maximum of fifteen days, may be carried forward to the next year for major illnesses only. Upon separation, all unused sick leave lapses.

NOTE 2 – CASH AND CASH EQUIVALENTS

Custodial Credit Risk – Deposits. The custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's policy to ensure there is no exposure to this risk is to require each financial institution to pledge its' own securities to cover any amount in excess of Federal Depository Insurance Coverage. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent bank has failed to pay deposited funds upon demand. Accordingly, the District had no custodial credit risk related to its deposits at December 31, 2019. The District had cash and cash equivalents in demand deposits, totaling \$751,694 December 31, 2019.

LINCOLN PARISH GEOGRAPHIC INFORMATION SYSTEM DISTRICT
RUSTON, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 2 – CASH AND CASH EQUIVALENTS (Continued)

These deposits are stated at cost, which approximates market. 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. Cash per books at year end was \$751,694. Cash and cash equivalents (bank balances other than these backed by the U.S. government) at December 31, 2019, are secured, as follows:

Bank Balances	\$ 751,746
FDIC Insurance	250,000
Pledged Securities (uncollateralized)	<u>564,000</u>
Total	<u>\$ 814,000</u>

NOTE 3 – PROPERTY AND EQUIPMENT

Capital asset activity for the year ended December 31, 2019 is as follows:

	December 31, 2018			December 31, 2019
	<u>Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u>
Depreciable Assets:				
Machinery & Equipment	\$ 160,831	\$ -	\$ -	\$ 160,831
Totals at Historical Cost	160,831	-	-	160,831
Less Accumulated Depreciation for:				
Machinery & Equipment	(112,637)	(4,864)	-	(117,501)
Total Accumulated Depreciation	(112,637)	(4,864)	-	(117,501)
<u>CAPITAL ASSETS, NET</u>	<u>\$ 48,194</u>	<u>\$ (4,864)</u>	<u>\$ -</u>	<u>\$ 43,330</u>

Depreciation was charged to the Public Safety function of the District for \$4,864.

NOTE 4 – ACCOUNTS RECEIVABLE

Accounts receivable at December 31, 2019 were \$20,680 and consisted of user fees. Based on prior experience, the uncollectible receivables are considered immaterial, thus no provision has been made for such loss in these financial statements.

NOTE 5 - DUE FROM/TO OTHER FUNDS

The due from/to other funds at December 31, 2019, are as follows:

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
GIS Mapping Fund	\$ -	\$ 112,686
GIS Project Reserve Fund	<u>112,686</u>	-
Totals	<u>\$ 112,686</u>	<u>\$ 112,686</u>

These balances resulted from the time lag between the dates that the surplus in the GIS Mapping Fund was owed to the GIS Project Reserve Fund and payment between funds is made.

LINCOLN PARISH GEOGRAPHIC INFORMATION SYSTEM DISTRICT
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 6 - PENSION PLAN - PAROCHIAL RETIREMENT SYSTEM

Plan Description

The Parochial Employees' Retirement System, a Public Employee Retirement System, is a cost sharing multiple-employer plan that is governed by the Louisiana Revised Statutes, title II, Sections 1901 through 2015, specifically, and other general laws of the State of Louisiana.

Under the Parochial Retirement System, a member is eligible for normal retirement if he has at least 30 years of creditable service regardless of age or 25 years of creditable service and is at least 55 years old, or 10 years of creditable service and is at least 60 years old.

The monthly retirement benefit is equal to three percent of the member's coverage monthly compensation for any 36 months of consecutive service in which compensation was highest, multiplied by years of creditable service, not to exceed 100% of member's final compensation.

Retirement benefits are payable monthly for the life of the retiree, and upon the retiree's death under certain conditions are payable to the retiree's surviving spouse and minor children. The District's payroll is included in the Lincoln Parish Police Jury, primary government financial statements.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Parochial Employees' Retirement System, P.O. Box 14619, Baton Rouge, Louisiana 70898.

Funding Policy

Under the plan, members are required by state statute to contribute 9.5% of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current rate is 11.5% of annual covered payroll. The District's contributions to the System for the years ending December 31, 2019, 2018, and 2017 are included in the Lincoln Parish Police Jury's retirement expense.

NOTE 7 - DEFERRED COMPENSATION PLAN

Employees of the Lincoln Parish Geographic Information System District may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (Deferred Compensation Plans with Respect to Service for State and Local Governments).

The deferred compensation plan is available to all employees of the Lincoln Parish Geographic Information System District. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency. In accordance with the provisions of GASB Statements No. 32 and No. 34, plan balances and activities are not reflected in the financial statements of the Lincoln Parish Geographic Information System District.

LINCOLN PARISH GEOGRAPHIC INFORMATION SYSTEM DISTRICT
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 8 - LITIGATION

According to the Parish District Attorney, the District had no pending or threatened litigation as of December 31, 2019.

NOTE 9 - COMPENSATION FOR THE BOARD OF COMMISSION

The members of the Commission for the Lincoln Parish Geographic Information System District receive no compensation.

NOTE 10 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budget/Actual Variances

When comparing budget to actual revenue and expenditure amounts for the year ended December 31, 2019, the following budget line items had variances greater than 5%:

	<u>Budget</u>	<u>Actual</u>	<u>Variances</u> <u>(Unfavorable)</u>
GIS Mapping Fund			
Contract Labor	\$ -	\$ 11,759	\$ (11,759)
Utilities	\$ 2,247	\$ 2,966	\$ (719)
Telephone	\$ 2,729	\$ 3,076	\$ (347)
Internet	\$12,997	\$ 14,977	\$ (1,980)

NOTE 11 – GIS, IT AND CONTRACTUAL REVENUE

The District provides services to other departments of Lincoln Parish as well as to component units of the Lincoln Parish Police Jury. These departments and component units are charged a monthly fee for providing GIS and IT services. During 2019, the District received \$512,861 for providing these services. Also, the District is responsible for code enforcement for new and existing structures throughout Lincoln Parish. During 2019, the District received \$28,425 for providing this service.

NOTE 12 – PRIOR PERIOD ADJUSTMENT

The GIS IT Director Fund has been without any activity for more than ten years. This dormant fund was closed during the year, and the fund balance in this fund is shown as a prior period adjustment. The result was a \$20,277 decrease in fund balance.

NOTE 12 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through June 29, 2020, which the day the financial statements were available to be issued, and it has been determined that no significant events have occurred for disclosure.

REQUIRED SUPPLEMENTAL INFORMATION (PART B)
BUDGETARY COMPARISON SCHEDULES

LINCOLN PARISH GEOGRAPHIC INFORMATION SYSTEM DISTRICT
RUSTON, LOUISIANA
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
User Fees	\$ 510,500	\$ 510,500	\$ 512,831	\$ 2,331
Construction Permit Fees	26,767	26,767	28,425	1,658
 Total Revenues	 537,267	 537,267	 541,256	 3,989
<u>Expenditures (Outflows):</u>				
Salaries & Related Expenses	309,054	309,054	307,833	1,221
Contract Labor	-	-	11,759	(11,759)
Utilities	2,247	2,247	2,966	(719)
Telephone	2,729	2,729	3,076	(347)
Internet Service	12,997	12,997	14,977	(1,980)
Professional Services	114,852	114,852	101,593	13,259
Office Supplies & Expense	9,751	9,751	11,041	(1,290)
Travel	3,500	3,500	3,523	(23)
Computer Hardware & Software	62,500	62,500	61,805	695
 Total Expenditures	 517,630	 517,630	 518,573	 (943)
 <u>Excess Revenues Over Expenditures</u>	 19,637	 19,637	 22,683	 3,046
<u>Other Financing Uses</u>				
Transfers Out	(19,637)	(19,637)	(22,683)	(3,046)
 <u>Fund Balance at Beginning of Year</u>	 480,681	 480,681	 480,681	 -
 <u>FUND BALANCE AT END OF YEAR</u>	 \$ 480,681	 \$ 480,681	 \$ 480,681	 \$ -

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

LINCOLN PARISH GEOGRAPHIC INFORMATION SYSTEM DISTRICT
RUSTON, LOUISIANA
NOTES TO BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2019

The budgets for the funds are proposed by the Director and formally adopted by the Commissioners. The budgets are prepared on a basis consistent with generally accepted accounting principles (GAAP). Budgetary amendments involving the transfer of funds from one function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require approval of the Commissioners. At year end, all appropriations lapse.

State law requires the District to amend its budgets when revenues plus projected revenues within a fund are expected to fall short from budgeted revenues by five percent or more and when expenditures and other uses of a fund are expected to exceed budgeted amounts by five percent or more.

OTHER SUPPLEMENTAL INFORMATION

LINCOLN PARISH GEOGRAPHIC INFORMATION SYSTEM DISTRICT
RUSTON, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO
AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Jackson Matthews</u> <u>Director</u>
<i>Purpose:</i>	
Salary	\$ 60,886
Benefits - Insurance	8,715
Benefits - Retirement	7,002
Travel Reimbursements	349
Total	<u>\$ 76,952</u>

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

To the Board of Commissioners
Lincoln Parish Geographic
Information System District
Ruston, Louisiana

I 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 of the Lincoln Parish Geographic Information System District, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued my report thereon dated June 29, 2020.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, I do not express an opinion on the effectiveness of the District'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, detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District'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.

My 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

To the Board of Commissioners
Lincoln Parish Geographic
Information System District
Ruston, Louisiana

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Lincoln Parish Geographic Information System District's financial statements are free from material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended for the use of management of the Lincoln Parish Geographic Information System District and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

WILLIAM R. HULSEY (APAC)
Certified Public Accountant



June 29, 2020

LINCOLN PARISH GEOGRAPHIC INFORMATION SYSTEM DISTRICT
RUSTON, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Board of Commissioners
 Lincoln Parish Geographic Information System District
 Ruston, Louisiana

I have audited the financial statements of the Lincoln Parish Geographic Information System District (the District) as of and for the year ended December 31, 2019, and have issued my report thereon dated June 29, 2020. I conducted my 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. My audit of the financial statements as of December 31, 2019, resulted in an unqualified opinion.

SECTION I - Summary of Auditor's Results

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

Internal Control

Material Weakness ___ yes X no

Significant Deficiencies not considered to be
 Material Weaknesses ___ yes X no

Compliance

Compliance Material to Financial Statements ___ yes X no

B. Federal Awards

Material Weakness Identified ___ yes X no

Significant Deficiencies not considered to be
 Material Weaknesses ___ yes X no

Type of Opinion on Compliance For Major Programs (No Major Programs)

Unqualified ___ Qualified ___

Disclaimer ___ Adverse ___

Are their findings required to be reported in accordance with the Uniform
 Guidance (a)? N/A

C. Identification of Major Programs: N/A

Name of Federal Program (or cluster)
 CFDA Number(s)

Dollar threshold used to distinguish between Type A and Type B Programs. N/A

Is the auditee a "low-risk" auditee, as defined by Uniform Guidance? N/A

SECTION II - Financial Statement Findings

No matters were reported.

SECTION III - Federal Award Findings and Questioned Costs

No matters were reported.

LINCOLN PARISH GEOGRAPHIC INFORMATION SYSTEM DISTRICT
RUSTON, LOUISIANA
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2019

Internal Control and Compliance Material to Federal Awards

There were no findings for this category.

Internal Control and Compliance Material to the Financial Statements

There were no findings for this category.

Management Letter Comments

There were not findings for this category.

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INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the GIS and the Louisiana Legislative Auditor:

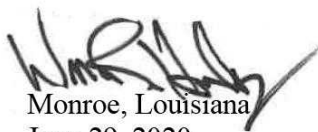
I have performed the procedures enumerated below, which were agreed to by the GIS (Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2019 through December 31, 2019. The Entity's management is responsible for those C/C areas identified in the SAUPs.

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

The findings obtained are described in the attachment to this report.

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

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


Monroe, Louisiana
June 29, 2020

SUPPLEMENT TO INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that 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, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
 - f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
 - g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)
 - h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
 - i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
 - j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
 - k) **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.

Exceptions

Currently, the District follows the Lincoln Parish Police Jury's written policies and procedures addressing purchasing and travel. There are no other policies and procedures in place regarding the other areas noted above.

Board or Finance Committee

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:
 - a) 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.
 - b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-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.*
 - c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted 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 unrestricted fund balance in the general fund.

Exceptions

No exceptions were identified in the performance of the procedures listed above.

Bank Reconciliations

3. Obtain a listing of client 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 selected each account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
 - b) Bank reconciliations include evidence that a member of management/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
 - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Exceptions

No exceptions were identified in the performance of the procedures listed above.

Collections

4. 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).
5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - d) 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).
 - e) Trace the actual deposit per the bank statement to the general ledger.

Exceptions

No exceptions were identified in the performance of the procedures listed above.

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

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 #8 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, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) 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.
 - d) 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.
10. For each location selected under #8 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:
 - a) Observe that the disbursement matched the related original invoice/billing statement.
 - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Exceptions

No exceptions were identified in the performance of the procedures listed above.

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

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-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.
12. 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 that 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) was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]]
 - b) Observe that finance charges and late fees were not assessed on the selected statements.

13. Using the monthly statements or combined statements selected under #12 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 (i.e. each card should have 10 transactions subject to testing). 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).

Exceptions

No exceptions were identified in the performance of the procedures listed above.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

14. 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, 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:
- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) 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 policy (procedure #1h).
 - d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Exceptions

No exceptions were identified in the performance of the procedures listed above.

Contracts

15. 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. *Alternately, 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:
- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
 - c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.

- d) 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.

Exceptions

No exceptions were identified in the performance of the procedures listed above.

Payroll and Personnel

16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.
19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Exceptions

No exceptions were identified in the performance of the procedures listed above.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above obtain ethics documentation from management, and:
 - a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

Exceptions

No exceptions were identified in the performance of the procedures listed above.

Debt Service

21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.
22. 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.

Exceptions

No exceptions were identified in the performance of the procedures listed above.

Other

23. 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.
24. 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.

Exceptions

No exceptions were identified in the performance of the procedures listed above.