

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**

Monroe, Louisiana

**Financial Statements**

As of and For the Year Ended June 30, 2019

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**  
Monroe, Louisiana

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As of and For the Year Ended June 30, 2019

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## INDEPENDENT AUDITOR'S REPORT

**Board of Directors  
North Delta Regional Planning and  
Development District, Incorporated  
Monroe, Louisiana**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of North Delta Regional Planning and Development District, Incorporated, (A nonprofit organization reporting under Governmental Accounting Standards) (the District) as of and for the year ended June 30, 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 control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express

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no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2019, 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.

**Substantial Doubt about the District's Ability to Continue as a Going Concern**

The accompanying financial statements have been prepared assuming that the District will continue as a going concern. As discussed in Note 18 we have substantial doubt about the District's ability to continue as a going concern. For the year ended June 30, 2019, the District's programs were unable to finance operations and required financial support from the general fund. As a result, the general fund, which brings in little income, suffered a significant loss resulting in a negative fund balance of \$34,469. At the governmental activities level, the District has a \$70,176 deficit unrestricted net position meaning that the District has no funds available to pay all obligations. The District's management has been working to improve its net position by eliminating programs that are not cost effective and by decreasing expenditures. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the budgetary comparison information on pages 5 through 10 and pages 35-36 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and

**Board of Directors  
North Delta Regional Planning and  
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Monroe, Louisiana**

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 and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances, the Schedule of Changes in Capital Assets and Investment in Capital Assets, and the Schedule of Compensation, Benefits, and Other Payments to the Chief Executive Officer are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is also not a required part of the basic financial statements.

The Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances, the Schedule of Changes in Capital Assets and Investment in Capital Assets, and the Schedule of Compensation, Benefits, and Other Payments to the 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 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 Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances, the Schedule of Changes in Capital Assets and Investment in Capital Assets, and the Schedule of Compensation, Benefits, and Other Payments to the Chief Executive Officer, and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 9, 2020, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide

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North Delta Regional Planning and  
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Monroe, Louisiana**

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 North Delta Regional Planning and Development District's internal control over financial reporting and compliance.

*Woodard & Associates*

**(A Professional Accounting Corporation)**  
Monroe, La

**April 9, 2020**

**REQUIRED SUPPLEMENTAL INFORMATION  
(PART A)**



**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**

Monroe, Louisiana

**Management's Discussion and Analysis**

June 30, 2019

As management of the North Delta Regional Planning and Development District, Incorporated, (hereinafter referred to in this Management's Discussion and Analysis as the District) we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2019. It is designed to assist the reader in focusing on significant financial issues, identify changes in the District's financial position, and identify material deviations and individual fund issues or concerns.

**FINANCIAL HIGHLIGHTS**

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$1,073,439 (*net position*). Of this amount, (\$70,176) (*unrestricted net position*) represents the portion of net position which is not invested in capital assets or otherwise restricted.
- The government's total net position increased by \$7,496.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$40,988, an increase of \$31,117 for the year. The combined ending fund balance includes (\$37,491) in funds available for spending at the government's discretion (*unassigned fund equity*).

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

**NORTH DELTA REGIONAL PLANNING AND  
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Monroe, Louisiana

**Management's Discussion and Analysis**

June 30, 2019

Both of the government-wide financial statements distinguish functions of the District that are principally supported by intergovernmental revenues (governmental activities). The governmental activities of the District include general government, elderly assistance, planning for highways and transportation and economic development/disaster recovery. The District has no business-type activities. The government-wide financial statements can be found on pages 11 and 12 of this report.

**FUND FINANCIAL STATEMENTS**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the District's funds are governmental funds.

**GOVERNMENTAL FUNDS**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Restore Louisiana, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The District adopts an annual appropriated budget for its general and special revenue funds. Budgetary comparison statements have been provided on pages 35 and 36 for the general and the major special revenue funds to demonstrate compliance with this budget.

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**

Monroe, Louisiana

**Management's Discussion and Analysis**

June 30, 2019

The governmental fund financial statements can be found on pages 13 through 16 of this report.

**NOTES TO FINANCIAL STATEMENTS**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 17 of this report.

**OTHER INFORMATION**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District compliance with budgets for its general fund and all major special revenue funds with a legally adopted annual budget. The combining statements for non-major governmental funds are presented immediately following the required supplementary information.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

These two statements report the District's net position and changes in net position. Increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating. The net position of the District as of June 30, 2019 consisted of a balance of \$1,073,439 which increased by \$7,497, or 0.7%, compared to the prior year.

The statement of net position and statement of activities reflect the District's governmental activities (e.g., its basic service), such as general government, health, welfare & social services, planning for highways & public transportation, and economic development/disaster recovery. State and federal grants finance most of these activities.

Our analysis below focuses on the summary of net position (Table 1) and changes in net position (Table 2) of the District's governmental activities. Key fluctuations include the following:

**Statement of Net Position**

The largest amount of the District's net position reflects its investment in capital assets of \$1,068,157 and \$1,094,974 (net of accumulated depreciation of \$196,510 and \$174,623) for the years ended June 30, 2019 and 2018, respectively.

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**  
Monroe, Louisiana

**Management's Discussion and Analysis**  
June 30, 2019

	<u>Governmental Activities</u>	
	<u>06/30/2019</u>	<u>06/30/2018</u>
Current & other assets	\$ 551,423	\$ 432,829
Capital assets	<u>1,068,157</u>	<u>1,094,974</u>
	<u>\$ 1,619,580</u>	<u>\$ 1,527,803</u>
Current & other liabilities	\$ 514,006	\$ 426,848
Long-Term liabilities	<u>32,135</u>	<u>35,013</u>
	546,141	461,861
<b>Net Position</b>		
Net Investment in Capital Assets	223,158	220,524
Restricted		
Economic Development / Disaster Recovery	845,000	874,450
Health, Welfare & Social Services	574	16,811
Relending	74,885	-
Unrestricted	<u>(70,176)</u>	<u>(45,843)</u>
Total net position	<u>\$ 1,073,439</u>	<u>\$ 1,065,942</u>

The balance of \$1,073,439 in net position in the governmental activities represents the accumulated results of all past years' operations. Net position of governmental activities increased by \$7,497. The changes in net position are discussed later in this MD&A.

	<u>Governmental Activities</u>	
	<u>06/30/2019</u>	<u>06/30/2018</u>
<b>Revenues</b>		
Program Revenues		
Operating Grants and Contributions	\$ 4,529,799	\$ 3,016,682
General Revenues		
Dues	22,406	22,111
Other General Revenues	<u>51,958</u>	<u>75,838</u>
Total Revenues	4,604,163	3,114,631
<b>Expenses</b>		
General Government	45,923	169,711
Health, Welfare & Social Services	1,701,017	1,694,634
Planning for Highways and Public Transportation	517,726	527,962
Economic Development / Disaster Recovery	<u>2,331,999</u>	<u>919,571</u>
Total Expenses	<u>4,596,666</u>	<u>3,311,878</u>
Change in Net Position	<u>\$ 7,497</u>	<u>\$ (197,247)</u>

**NORTH DELTA REGIONAL PLANNING AND  
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Monroe, Louisiana

**Management's Discussion and Analysis**  
June 30, 2019

**CHANGES IN NET POSITION**

Key elements of the changes in the governmental net position are as follows:

As reported in the statement of activities, the cost of all governmental activities this year was \$4,596,666. The amount that taxpayers ultimately financed for these activities through the District was \$74,364 because some of the cost was paid by those who benefited from the program \$64,963 or by other governments and organizations who subsidized certain programs with grants and contributions of \$4,464,836. Of the \$74,364 financed amount, dues covered \$22,406 of the \$74,364 and other general revenues covered another \$51,958 which resulted in a net increase of \$7,497.

Total revenues increased by approximately \$1,500,000 with approximately \$1,440,000 of the increase being the result of increased funding of operating grants which are largely costs reimbursement grants.

Expenses increased by approximately \$1,300,000 which was mostly attributable to an increase in expenses for the same cost reimbursements operating grants.

Most of the Federal and state revenues received from the Louisiana Governor's Office of Elderly Affairs by the District are pass-through monies. For the years ended June 30, 2019, and 2018, the total revenue amounts of \$1,657,399 and \$1,634,573; of which \$1,398,503 and \$1,392,917 was passed through to the various Councils on Aging in northeast Louisiana, respectively.

**FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$40,988 and \$9,871 for 2019 and 2018 respectively, an increase of \$31,117 for the year ended June 30, 2019. Of the ending fund balance, \$572 represents amounts restricted for health, welfare, and social services, \$74,845 restricted for relending, and another \$2,822 for nonspendable fund balance. The remaining negative balance of \$37,291 represents monies that the District would have to procure to cover the restricted and nonspendable amounts.

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**  
Monroe, Louisiana

**Management's Discussion and Analysis**  
June 30, 2019

**GENERAL FUND BUDGETARY HIGHLIGHTS**

In accordance with grant agreements, the District must adopt a budget for the General Fund and all Special Revenue funds prior to June 30. The original budget was adopted on July 12, 2018. The budget was amended on June 21, 2019 for the year ended June 30, 2019.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

The District's investment in capital assets for its governmental activities as of June 30, 2019 and 2018 amounts to \$1,068,157 and \$1,094,974 (net of accumulated depreciation). This investment in capital assets is as follows:

	<u>06/30/2019</u>	<u>06/30/2018</u>
Land	\$ 310,421	\$ 310,421
Building	883,507	883,507
Office Furniture and Equipment	<u>70,739</u>	<u>75,669</u>
Total	1,264,667	1,269,597
Less Accumulated Depreciation	<u>(196,510)</u>	<u>(174,623)</u>
Total Capital Assets	<u>\$ 1,068,157</u>	<u>\$ 1,094,974</u>

The District, with the assistance of a Department of Commerce grant, purchased its current location in January 2015. More detailed information for capital assets is found in Note 4, Changes in Capital Assets, in the Notes to the Financial Statements.

**OUTSTANDING DEBT**

The District's outstanding debt for the years ended June 30, 2019 and 2018 is limited to compensated absences of \$35,706 and \$38,903, respectively.

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

Current factors considered in preparing the District's budgets for the 2020 fiscal year indicates no significant change from the projected revenues and expenditures of the 2019 fiscal year.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Doug Mitchell, Executive Director, 3000 Kilpatrick Blvd, Monroe, LA, 71201.

## **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS**



**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**  
Monroe, Louisiana

**Statement of Net Position  
Governmental Activities**  
June 30, 2019

**Assets**

Cash and Cash Equivalents	\$ 95,430
Receivables	453,171
Prepaid Items	2,822
Capital Assets (net)	<u>1,068,157</u>
<b>Total assets</b>	<b><u>\$ 1,619,580</u></b>

**Liabilities**

Accounts and Other Payables	\$ 478,734
Due To Grantor	31,701
Long-Term Liabilities	
Due within one year	3,571
Due in more than one year	<u>32,135</u>
<b>Total liabilities</b>	<b><u>546,141</u></b>

**Net position**

Net investment in capital assets	223,158
Restricted for	
Economic development / disaster recovery	845,000
Relending	74,885
Health, welfare, and social services	572
Unrestricted (deficit)	<u>(70,176)</u>
<b>Total net position</b>	<b><u>\$ 1,073,439</u></b>

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

**NORTH DELTA REGIONAL PLANNING AND  
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Monroe, Louisiana

**Statement of Activities  
Governmental Activities**  
For the Year Ended June 30, 2019

	<u>Expenses</u>	<u>Program Revenues Operating Grants and Contributions</u>	<u>Net (Expenses) Revenue</u>
<b>Function/program activities</b>			
General and administrative	\$ 45,924	\$ -	\$ (45,924)
Health, welfare & social Services			
Supportive services	310,506	310,506	-
Nutrition services	1,028,075	1,011,840	(16,235)
Preventive health & medication	28,578	28,578	-
Family caregiver support	64,963	64,963	-
Ombudsman	142,216	127,819	(14,397)
Area Agency on Aging administration	126,679	113,693	(12,986)
Planning for highways and public transportation	517,726	517,726	-
Economic development and disaster recovery	<u>2,331,999</u>	<u>2,354,674</u>	<u>22,675</u>
<b>Total government</b>	<u>\$ 4,596,666</u>	<u>\$ 4,529,799</u>	<u>\$ (66,867)</u>
		<b>General revenues</b>	
		Dues	22,406
		Miscellaneous	3,658
		Rental income	48,300
		<b>Total general revenues</b>	<u>74,364</u>
		<b>Changes in net position</b>	<u>7,497</u>
		<b>Net position - beginning</b>	<u>1,065,942</u>
		<b>Net position - ending</b>	<u>\$ 1,073,439</u>

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

**FUND FINANCIAL STATEMENTS**

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**  
Monroe, Louisiana

**Balance Sheet**  
**Governmental Funds**  
June 30, 2019

	Major Funds			Total
	General Fund	Special Revenue Funds Restore Louisiana	Other Governmental Funds	
<b>Assets</b>				
Cash and cash equivalents	\$ 20,604	\$ 74,826	\$ -	\$ 95,430
Receivables	-	220,301	232,870	453,171
Prepaid items	2,822	-	-	2,822
Due from other funds	210,295	-	255,881	466,176
<b>Total assets</b>	<b>\$ 233,721</b>	<b>\$ 295,127</b>	<b>\$ 488,751</b>	<b>\$ 1,017,599</b>
<b>Liabilities</b>				
Accounts and other payables	\$ 12,310	\$ 185,568	280,856	\$ 478,734
Due to other funds	255,880	34,674	175,622	466,176
Due to grantor	-	-	31,701	31,701
<b>Total liabilities</b>	<b>268,190</b>	<b>220,242</b>	<b>488,179</b>	<b>976,611</b>
<b>Fund equity (deficit)</b>				
Fund balance				
Nonspendable	2,822	-	-	2,822
Restricted for relending	-	74,885	-	74,885
Restricted for health, welfare, & social services	-	-	572	572
Unassigned	(37,291)	-	-	(37,291)
<b>Total fund equity (deficit)</b>	<b>(34,469)</b>	<b>74,885</b>	<b>572</b>	<b>40,988</b>
<b>Total liabilities and fund balance (deficit)</b>	<b>\$ 233,721</b>	<b>\$ 295,127</b>	<b>\$ 488,751</b>	<b>\$ 1,017,599</b>

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

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**

Monroe, Louisiana

**Reconciliation of the Balance Sheet -  
Governmental Funds to the Statement of Net Position**

June 30, 2019

Fund balances - total governmental funds		\$ 40,988
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Amounts reported for governmental activities are not financial resources and, therefore, are not reported in the governmental funds

Governmental capital assets	1,264,667	
Less: accumulated depreciation	<u>(196,510)</u>	1,068,157

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

Compensated absences payable		
Due within one year		(3,571)
Due in more than one year		<u>(32,135)</u>

Net position of governmental activities		<u>\$ 1,073,439</u>
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The accompanying notes are an integral part of this financial statement.

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**  
Monroe, Louisiana

**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
For the Year Ended June 30, 2019

	<u>Major Funds</u>			<u>Total</u>
	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Other Governmental Funds</u>	
	<u>General Fund</u>	<u>Restore Louisiana</u>	<u>Other Governmental Funds</u>	<u>Total</u>
<b>Revenues</b>				
Intergovernmental				
Governor's Office of Elderly Affairs	\$ -	\$ -	\$ 1,657,399	\$ 1,657,399
U.S. Department of Commerce	-	-	130,725	130,725
U.S. Department of Transportation	-	-	419,560	419,560
Other Federal grants	-	2,086,509	22,000	2,108,509
Ouachita Council of Governments	-	-	98,166	98,166
Membership dues	-	-	22,406	22,406
Miscellaneous	3,658	74,883	40,557	119,098
Rental income	48,300	-	-	48,300
<b>Total revenues</b>	<u>51,958</u>	<u>2,161,392</u>	<u>2,390,813</u>	<u>4,604,163</u>
<b>Expenditures</b>				
General	52,105	-	-	52,105
Health, welfare, & social services				
Supportive services	-	-	310,506	310,506
Nutrition services	-	-	1,028,076	1,028,076
Preventive health & medication	-	-	28,578	28,578
Family caregiver support	-	-	64,963	64,963
Ombudsman	-	-	142,216	142,216
Area Agency on Aging administration	-	-	126,679	126,679
Planning for highways and public transportatio	-	-	517,726	517,726
Economic development / disaster recovery	-	2,086,509	215,688	2,302,197
<b>Total Expenditures</b>	<u>52,105</u>	<u>2,086,509</u>	<u>2,434,432</u>	<u>4,573,046</u>
<b>Excess (deficiency) of revenues over expenditu</b>	(147)	74,883	(43,619)	31,117
<b>Other financing sources/(uses)</b>				
Transfers in	-	-	27,383	27,383
Transfers out	(27,383)	-	-	(27,383)
<b>Total other financing sources/(uses)</b>	<u>(27,383)</u>	<u>-</u>	<u>27,383</u>	<u>-</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	(27,530)	74,883	(16,236)	31,117
<b>Fund balances at beginning of year (deficit)</b>	(6,940)	-	16,811	9,871
<b>Fund balances at end of year (deficit)</b>	<u>\$ (34,470)</u>	<u>\$ 74,883</u>	<u>\$ 575</u>	<u>\$ 40,988</u>

The accompanying notes are an integral part of this financial statement

**NORTH DELTA REGIONAL PLANNING AND  
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**Reconciliation of the Statement of Revenues, Expenditures,  
and Changes in Fund Balances - Governmental Funds to the Statement of Activities**  
for the Year Ended June 30, 2019

Net change in fund balances - total governmental funds	\$ 31,117
Amounts reported for governmental activities in the statement of activities are different because:	
Government funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital asset purchases capitalized	3,512
Depreciation expense	(30,328)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Decrease in compensated absences payable	<u>3,196</u>
Change in net position in governmental activities	<u><u>\$ 7,497</u></u>

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

**NORTH DELTA REGIONAL PLANNING AND  
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**Notes to the Financial Statements**

For the Year Ended June 30, 2019

**Note 1 - Summary of Significant Accounting Policies**

The accompanying financial statements of North Delta Regional Planning and Development District, Incorporated (A nonprofit organization reporting under Governmental Accounting Standards) (the District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

**A. Financial Reporting Entity**

The District was officially incorporated on February 24, 1969, as a nonprofit organization under the provision of Louisiana statutes of 1959, Title 12. The District functioned as a planning district by virtue of a 1973 Governor's Executive Order. In 1977, the District became one of eight regional planning and development districts created by the Louisiana legislature by Act No. 472, Section 1 (L.R.S. 33:140.61 and 140.62).

The District is comprised of the following parishes in Northeast Louisiana: Caldwell, East Carroll, Franklin, Jackson, Madison, Morehouse, Ouachita, Richland, Tensas, Union and West Carroll. The purpose of the District is to provide economic development assistance to the parishes in the District. The District accomplishes this objective by planning, coordinating and unifying various local, state and federal efforts to overcome the economic and social deficiencies in the eleven-parish area. The board of directors consisting of 21 members representing the parishes of the District is the governing body. Board members receive no compensation for their services.

GASB Codification Section 2100 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the District is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Codification Sections 2100, fiscally independent means that the District may, without the approval or consent of another governmental entity, determine or modify its own budget or set rates or charges. The District also has no component units, defined by GASB Codification Sections 2100 as other legally separate organizations for which the elected District members are financially accountable. There are no other primary governments with which the District has a significant relationship.



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For the Year Ended June 30, 2019

**B. Basis of Presentation**

The District's basic financial statements consist of the government-wide statements on all of the activities of the government and the fund financial statements (individual major funds and combined non-major funds). The financial statements have been prepared in accordance with governmental accounting standards.

***Government-wide Financial Statements***

The government-wide financial statements include the statement of net position and the statement of activities for all activities of the government. As a general rule, the effect of interfund activity has been removed from these statements. The government-wide presentation focuses primarily on the sustainability of the District as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

*Governmental Activities* represent programs which normally are supported by intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as general revenues.

***Fund Financial Statements***

The District uses funds, both major and non-major, to report on its financial position and the results of its 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 that comprises its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Emphasis of fund reporting is on the major fund level in the governmental category. Non-major funds (by category) or fund type are summarized into a single column in the basic financial statements.

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For the Year Ended June 30, 2019

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the provision of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The District's current operations require the use of the governmental category. The fund types used by the District are described as follows:

Governmental activities presented as Governmental Funds in the fund financial statements:

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

*Special Revenue Funds* - These funds are used to account for financial resources that are legally restricted to expenditures for specified purposes (not including expendable trusts or major capital projects).

The following is a brief description of each Special Revenue Fund's purpose:

*Major Special Revenue Funds*

*Restore Louisiana*

Restore Louisiana funds are provided by the Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) in the aftermath of the 2016 flooding to help aid impacted businesses and/or non-profit organization through a lending program.

*Non-Major Special Revenue Funds*

*Area Agency on Aging*

The Area Agency on Aging Fund is used to account for the administration of special programs for the elderly. Administrative funds are provided by the United States Department of Health and Human Services through the GOEA, which passes through the funds to the District. These funds are used to pay for administrative costs associated with programs for the elderly.

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*Title III B – Supportive Services*

Title III B funds are provided by the United States Department of Health and Human Services through the GOEA, which passes through the funds to the District for further distribution to area Councils on Aging. This program provides access services, in-home services, community services, legal services and transportation for the elderly.

*Title III C-1 – Congregate Meals*

Title III C-1 funds are provided by the United States Department of Health and Human Services to the Governor’s Office of Elderly Affairs (GOEA), which passes through the funds to the District for further distribution to area Councils on Aging. These funds are used to provide nutritional congregate meals to the elderly in strategically located centers.

*Title III C-2 – Home Delivered Meals*

Title III C-2 funds are provided by the United States Department of Health and Human Services through the GOEA, which passes through the funds to the District for further distribution to area Councils on Aging. These funds are used to provide nutritional meals to home-bound elderly persons.

*Title III D – Preventive Health Fund*

The III D Fund is used to account for funds that are used to provide preventive health services to frail older individuals. They include preventive health supportive services for older individuals who are victims of Alzheimer’s disease and related disorders, with neurological and organic brain dysfunction, and to the families of such victims.

*Title III E – Caregiver*

The Title III E Fund is used to provide multifaceted systems of support services for (1) family caregivers; and (2) grandchildren of older individuals who are relative caregivers. Services to be provided include: information to caregivers about available services; assistance to caregivers in gaining access to the services; individual counseling and caregiver training to assist the caregivers in making decisions and solving problems relating to their caregiving roles, respite care to

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enable caregivers to be temporarily relieved from their caregiving responsibilities; and supplemental services, on a limited basis, to complement the care provided by caregivers.

*Nutrition Services Incentive Program (NSIP) Cash-in-Lieu of Commodities*

The Nutrition Services Incentive Program (NSIP) is used to account for the administration of the Food Distribution Program funds provided by the United States Department of Health and Human Services through the GOEA. This award passes through to the District for further distribution to six parish Councils on Aging. The funds are distributed on a per-unit basis for each congregate and home-delivered meal service provider for each eligible participant so the United States food and commodities may be purchased to supplement these programs.

*Ombudsman*

The Ombudsman Fund is used to account for the administration of funds that provide assistance to residents in nursing homes. These funds are provided by the U. S. Department of Health and Human Services through the GOEA which passes through the funds to the District.

*Economic Development Administration*

The Economic Development Administration Fund accounts for planning grants to promote economic development in the District. Eighty percent of the funds are provided by the United States Department of Commerce with the remaining twenty percent provided from local sources.

*Economic Development Disaster Recovery*

The Economic Development Disaster Recovery program accounts for grants to provide community and economic development resources to parishes in northeast Louisiana to help create economic growth and jobs.

*Delta Regional Authority*

The Delta Regional Authority Fund is used to identify, develop and implement programs and activities that will help educate local stakeholders about the potential uses of the Delta Regional Authority.

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*Ouachita Council of Governments*

The Ouachita Council of Governments Fund accounts for local funds provided by the Ouachita Council of Governments. Revenues are used to fund public transportation projects within the parish.

*Federal Highways Administration*

The Federal Highways Administration Fund accounts for federal funds provided through the Ouachita Council of Governments for highway planning in the Monroe urbanized area. The Ouachita Council of Governments entered into an agreement with the Louisiana Department of Transportation and Development (LDOT) to provide these planning services. The Ouachita Council of Governments contracted with the District to provide technical assistance in carrying out its contract with the Louisiana Department of Transportation and Development.

*Strategic Highway Safety Plan*

The Federal Highways Administration Fund accounts for federal funds provided through the Ouachita Council of Governments for highway safety planning in the Monroe urbanized area. The Ouachita Council of Governments entered into an agreement with the LDOT to provide these planning services. The Ouachita Council of Governments contracted with the District to provide technical assistance in carrying out its contract with the LDOT.

*Federal Transit Authority*

The Federal Transit Authority Fund accounts for federal funds provided through the Ouachita Council of Governments for the planning of public transportation in the Monroe urbanized area. The Ouachita Council of Governments entered into an agreement with the Louisiana Department of Transportation and Development to provide these planning services. The Ouachita Council of Governments contracted with the District to provide technical assistance in carrying out its contract with the Louisiana Department of Transportation and Development.

*Regional Human Service Contract*

This fund accounts for federal funds provided through the Louisiana Department of Transportation and Development via Ouachita Council of Governments. The Human Service Transit Plan Committee addresses transit efficiency level planning and recommends policies to the Technical Advisory Committee and Transportation Policy Committee regarding the implementation of transit solutions.

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**Notes to the Financial Statements**  
For the Year Ended June 30, 2019

**C. Basis of Accounting and Measurement Focus**

**Government-Wide Financial Statements:**

The government-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.

**Fund Financial Statements:**

The financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are included on the balance sheet.

The modified accrual basis of accounting is used for reporting all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible with the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers funds to be available if they are collected within 60 days of the fiscal year end. Intergovernmental and other Grants have been treated as susceptible to accrual.

The District uses the following practices in recognizing and reporting revenues and expenditures in the governmental fund types:

*Revenues*

Entitlements and shared revenues are recorded as unrestricted at the time of receipt or earlier if the accrual criteria are met. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Other receipts become measurable and available when cash is received by the District and are recognized as revenue at that time.

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*Expenditures*

Salaries are recorded as incurred. Principal and interest on long-term obligations are recognized when due. Compensated absences are recognized when benefits are earned by the employee.

*Other Financing Sources (Uses)*

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds, et cetera) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

**D. Budgets**

*General Budget Policies*

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

The District adopts budgets for the general fund and all special revenue funds. However, the budgets prepared for fiscal year 2019 were based by funding source instead of by fund. The fiscal year 2019 budget was revised June 21, 2019.

Appropriations (unexpended budget balances) lapse at year-end.

*Encumbrances*

Encumbrance accounting is not employed in governmental funds.

*Budgetary Basis of Accounting*

All governmental fund budgets are prepared on the modified accrual basis of accounting; a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as amended by the District. Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the division, departmental or project level. Budget amounts included in the accompanying financial statements include the original adopted budget and all

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subsequent amendments. These revisions were considered insignificant by the District. All budget revisions are approved by the Board of Directors.

**E. Cash and Cash Equivalents**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposit accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

**F. Short Term Interfund Receivables/Payables**

During the course of operation, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

**G. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

**H. Capital Assets**

Capital assets, which include land, building, machinery and equipment and furniture and fixtures, are reported in the governmental activities column in the government-wide financial statements. The capitalization threshold for all movable capital assets is \$1,000 per unit. All purchased capital assets are valued at cost where historical records are available and at estimated cost where no historical records are available. Donated capital assets are valued at their fair market value on the date received. The costs of normal maintenance and repairs that do not add value to the asset or materially extend its useful life are not capitalized.

Depreciation on all capital assets has been provided over the estimated useful lives of the assets using the straight-line method. The estimated useful lives are 30 years for buildings, 5 years for furniture and fixtures and 5 to 7 years for office equipment.



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**Notes to the Financial Statements**  
For the Year Ended June 30, 2019

**I. Compensated Absences**

Full-time employees of the District earn up to 15 days of vacation leave each year, depending on length of service. Regular, part-time employees earn prorated vacation leave based on hours worked and length of continuous service. Vacation leave may accumulate up to 30 days with unused accumulated leave time being paid to employees upon termination of employment, at the employee's current rate of pay. Payments at separation, however, will not exceed the number of days accrued each year. Sick leave for full-time employees is earned at the rate of eight hours per month. Unused sick leave may accumulate with no limit; however, no compensation will be paid upon termination of employment.

**J. Net Position and Fund Equity**

In the government-wide Statement of Net Position under ASC 958-205, equity is classified as net position and is displayed in three primary components:

Net investment in capital assets – consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings related to the acquisition, construction, or improvement of those assets.

Restricted – consists of net resources with constraints placed on their use by either external groups (such as creditors, grantors, contributors, or other governments) or laws through constitutional provisions or enabling legislation.

Unrestricted – consists of all other net resources that are not otherwise defined as net investment in capital assets or restricted.

When an expense is incurred for which both restricted and unrestricted net position may be applied, it is the District's informal policy to first apply restricted net position.

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned, or unassigned. Restricted fund balance has limitations imposed by creditors, grantors, contributors, or by enabling legislation or constitutional provisions. Unassigned fund balance is the net resources in excess of what can be properly classified in one of the above four categories. The District did not recognize any fund balances as nonspendable, committed, or assigned as of June 30, 2019.

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For the Year Ended June 30, 2019

The District has not established a formal policy regarding order of spending fund balances that are restricted, committed, or assigned. The District's informal policy for spending prioritization of fund balances is that restricted would receive top priority, followed by committed. Assigned would receive the least priority and would be authorized to be spent only if adequate funds were available. If expenditures incurred exceed the amounts that have been restricted, committed, or assigned to a specific purpose, amounts unassigned would be reduced to eliminate the deficit.

**K. Interfund Transactions**

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

**L. Use of Estimates**

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

**Note 2 - Cash and Cash Equivalents**

Under state law, the District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The District may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

At June 30, 2019, the District has cash and cash equivalents (book balances) totaling \$95,430 as follows:

Demand Deposits	\$ 95,230
Cash Equivalents	-
Petty Cash	200
Total	<u>\$ 95,430</u>

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For the Year Ended June 30, 2019

*Custodial credit risk – deposits.* These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At year-end, the bank balance on the District’s deposits was \$123,919. The entire bank balance was covered by federal depository insurance (GASB Category 1).

*Credit risk.* Under state law the District may invest funds in obligations of the United States, in federally insured investments, or in time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. The District’s investments consist of money market funds; therefore, the District is exposed to no credit risk.

*Concentration of credit risk.* The District does not limit the amount that may be invested in securities of any one issuer. Applicable state statutes do not place limits on credit concentrations.

*Investment rate risk.* The District manages its exposure to declines in fair values by limiting the maturity of its investments to no longer than one year.

**Note 3 – Receivables**

Receivables at June 30, 2019, are as follows:

<u>Program</u>	<u>Funding Agency</u>	<u>Amount</u>
Special Revenue Funds		
Restore Louisiana	Office of Community Development	<u>\$ 220,301</u>
Total Major Special Revenue Funds		<u>\$ 220,301</u>

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**Notes to the Financial Statements**

For the Year Ended June 30, 2019

<u>Program</u>	<u>Funding Agency</u>	<u>Amount</u>
Nonmajor Special Revenue Funds		
Economic Development Admin	Various Local Governments	-
Area Agency Administration	LA Governor's Office of Elderly Affairs	\$ 75,794
Title III C-1 Congregate Meals	Various Councils on Aging	2,019
Title III C-2 Home Delivered Meals	Various Councils on Aging	35,558
Title III D Preventive Health	Various Councils on Aging	-
Economic Disaster Recovery	Ouachita Council of Governments	20,000
Council of Governments	Ouachita Council of Governments	17,807
Federal Transit Authority	Ouachita Council of Governments	5,418
Regional Human Service Contract	Ouachita Council of Governments	659
Federal Highway Admin	Ouachita Council of Governments	56,575
Strategic Highway Safety Plan	Ouachita Council of Governments	19,039
Total Nonmajor Special Revenue Funds		<u>232,869</u>
Total - All Funds		<u>\$ 453,171</u>

**Note 4 – Changes in Capital Assets**

Changes in capital assets for the year ended June 30, 2019 are as follows:

<u>Governmental Activities</u>	<u>Balance 6/30/2018</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 6/30/2019</u>
<b>Non-Depreciable Assets:</b>				
Land	\$310,421			\$310,421
<b>Depreciable Assets:</b>				
Buildings	883,507			883,507
Furniture and Equipment	75,669	\$3,512	\$(8,442)	70,739
Less: Accumulated Depreciation	(174,623)	(30,328)	8,442	(196,510)
<b>Net Depreciable Assets</b>	<u>784,553</u>			<u>757,736</u>
<b>Capital Assets Net</b>	<u>\$1,094,974</u>			<u>\$1,068,157</u>

Depreciation expense was \$30,328 for this fiscal year and \$30,068 for prior year.

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**Notes to the Financial Statements**  
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**Note 5 – Restricted Asset**

A twenty-year mortgage is being held by the United States Department of Commerce's Economic Development Administration on the building purchased in part with grant funds. This mortgage commenced on January 16, 2015. Payment(s) by North Delta to the Economic Development Administration will occur upon the use, transfer, or alienation of the property in violation of the grant agreement. If there are no such violations, then the mortgage will be cancelled on January 16, 2035. A liability has not been recorded in the financial statements due to this repayment being deemed remote.

Originally, this \$948,000 grant, along with \$245,928 in local funding, was provided by the Economic Development Administration to purchase the \$1,193,928 property (\$310,421 in land and \$883,507 in building) for the North Delta Innovation and Technology Disaster Recovery Center (the Center). The Center is to be used to help support and address the needs of distressed communities experiencing adverse economic changes that may occur suddenly or over time, and generally result from industrial or corporate restructuring, new Federal laws or requirements, reduction in defense expenditures, depletion of natural resources, or natural disaster.

The Center is included in capital assets on the Statement of Net Position in the amount of \$1,063,856 (\$1,193,928 in costs less \$130,072 in accumulated depreciation) as of June 30, 2019. The restricted portion is estimated to be \$845,000, the federally funded portion (79.4%) of net book value.

**Note 6 – Accounts and Other Payables**

Payables at June 30, 2019, associated with governmental funds consisted of accounts and other payables of \$478,734.

**Note 7 – Compensated Absences**

At June 30, 2019, employees of the District have accumulated and vested \$35,706 of employee leave benefits.

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**Notes to the Financial Statements**  
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**Note 8 – Interfund Assets/Liabilities**

Balances due from/to other funds are listed by fund for the year ended June 30, 2019:

	Due From Other Funds	Due To Other Funds
Major Funds		
General Fund	\$ 210,295	\$ 255,880
Special Revenue Funds		
Restore Louisiana	-	34,674
Nonmajor Funds		
Special Revenue Funds		
Title III-B Supportive Services	71,185	-
Title III C-1 Congregate Meals	58,174	
Title III C-2 Home Delivered Meals	50,402	2,827
Federal Highways Administration	-	56,575
Strategic Highway Safety Plan	-	19,039
Area Agency on Aging	-	73,297
Title IIID Preventive Health	9,118	-
Title IIIE Caregiver	26,659	-
NSIP, Cash-in-Lieu	40,343	-
Council of Governments	-	17,807
Federal Transit Authority	-	5,418
Regional Human Services Contract	-	659
Total	\$ 466,176	\$ 466,176

These interfund balance are the result of cash transfers among funds to cover negative cash balances

**Note 9 – Retirement System**

Substantially all employees of the District are eligible to participate in the Deferred Compensation Plan for Public Employees. For 2019, participants may contribute up to one hundred percent of their gross salary, not exceeding \$18,000 or \$24,000 if the participant is at least 50 years of age. The District will match up to five percent of their salary on their behalf.

The District's total payroll during the fiscal year ending June 30, 2019, was \$516,233. Employee contributions totaled \$23,168 and employer contributions totaled \$23,168.

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For the Year Ended June 30, 2019

**Note 10 - Restricted Fund Balances (FFS level only)**

The following governmental funds' fund balances are legally restricted for the following purposes:

<u>Restricted</u>	<u>Purpose</u>	<u>6/30/2019</u>
Major Funds		
Special Revenue Funds		
Restore Louisiana	Relending	\$74,885
Nonmajor Funds		
Special Revenue Funds		
NSIP - Cash-in Lieu of Commodities	Health, Welfare & Social Services	\$ 572

**Note 11 – Leases**

**Operating Leases** – The District is a party to the following operating leases:

The District has annual operating lease agreements for the following office equipment:

- Kyocera Copier. Monthly lease payments of \$299 for 36 months beginning in May 2018.
- Pitney Bowes mailing machine and scales. Quarterly payments are \$1,113 on an ongoing basis at the District's discretion.

Future minimum lease payments under these agreements are \$3,588 in fiscal years 2020 and 2021.

**Note 12 – Interfund Transfers**

Transfers in and out are listed by fund for the year ended June 30, 2019:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds		
General Fund	\$ -	\$ 27,383
Nonmajor Special Revenue Funds		
Area Agency Administration	12,986	-
Ombudsman	14,397	-
Total	<u>\$ 27,383</u>	<u>\$ 27,383</u>

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**  
Monroe, Louisiana

**Notes to the Financial Statements**  
For the Year Ended June 30, 2019

North Delta receives administrative fees in association with various projects. Often, these projects are funded with federal or state funds which are restricted for that project. The administrative fees; however, are not included in that restriction.

**Note 13 – Dual Roles of Staff and Related Party Transactions**

The Executive Director of the District also serves as Executive Secretary of the Ouachita Council of Governments (OCOG). The District has contracted with OCOG to provide technical assistance in carrying out OCOG's federal and local program activities. For the year ended June 30, 2019, the District recorded \$35,613 of revenues from OCOG. The Executive Director of the District also serves as President of the Louisiana Delta Reinvestment Corporation which is currently inactive; no balances were paid or due for the fiscal year ended June 30, 2019.

**Note 14 – Litigation and Claims**

**Litigation** – At June 30, 2019, the District was not involved in any litigation, nor were there any claims pending which might have a material impact on the financial statements.

**Grant Disallowances** – The District participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. District management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

**Note 15 – Economic Dependency**

The District receives a significant portion of its revenue from funds provided through grants or programs administered by the Louisiana Governor's Office of Elderly Affairs. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of the funds the District receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any action that will adversely affect the amount of funds the District will receive in the next fiscal year.

**Note 16 – Compensation of Board Members**

The District's Board of Directors serve without compensation but are reimbursed transportation expenses at the rate of \$0.58 per mile.



**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**  
Monroe, Louisiana

**Notes to the Financial Statements**  
For the Year Ended June 30, 2019

**Note 17 – Subsequent Events**

Management has evaluated subsequent events through April 9, 2020, the date which the financial statements were available to be issued.

In October 2019, the District decided to no longer serve as the area agency on aging for northeast Louisiana. This will result in a large reduction in grant revenues and expenses related to the program, but management does not believe it will have an adverse effect on the financial condition of the District.

On March 13, 2020, the President of the United States declared the COVID-19 outbreak to be a national emergency. We have evaluated the effects of the outbreak and ensuing economic repercussions on the District. As of the report date, we have identified no material effects to the District, but we are unable to determine what, if any, effects there will be on future operations.

There were no material subsequent events that require recognition or additional disclosure except as noted above.

**Note 18 – Going Concern**

The District's programs were unable to finance operations and required support during the fiscal year, so it depended on support from the general fund. The general fund brings in little income and suffered a \$27,530 loss adding to the negative fund balance at June 30, 2019. The Statement of Net Position reflects a deficit unrestricted net position of \$70,176 at year end. The District is working to improve its net position by eliminating programs that are not cost effective and by decreasing expenditures.

**REQUIRED SUPPLEMENTAL INFORMATION  
(PART B)**

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**  
Monroe, Louisiana

**Schedule of Revenues, Expenditures and  
Changes in Fund Balances - Budget (GAAP Basis) and Actual**

**General Fund**

For the Year Ended June 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance With Final Budget Favorable (Unfavorable)</b>
	<u>Original</u>	<u>Final</u>		<u>(Unfavorable)</u>
<b>Revenues</b>				
Miscellaneous	\$ -	\$ 5,000	\$ 3,658	\$ (1,342)
Rental Income	48,000	48,000	48,300	300
<b>Total revenues</b>	<u>48,000</u>	<u>53,000</u>	<u>51,958</u>	<u>(1,042)</u>
<b>Expenditures</b>				
Salaries	48,000	48,000	7,847	40,153
Fringe	-	-	19,738	(19,738)
Travel	-	-	1,924	(1,924)
Operating services	-	-	22,543	(22,543)
Operating supplies	-	-	1,261	(1,261)
<b>Total expenditures</b>	<u>48,000</u>	<u>48,000</u>	<u>53,313</u>	<u>(5,313)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	-	5,000	(1,355)	(6,355)
<b>Other financing sources and (uses)</b>				
Transfers in	-	-	-	-
Transfers out	-	(4,694)	(27,383)	(22,689)
<b>Total other financing sources and uses</b>	<u>-</u>	<u>(4,694)</u>	<u>(27,383)</u>	<u>(22,689)</u>
<b>Net change in fund balance</b>	-	306	(28,738)	(29,044)
<b>Fund balance (deficit) at beginning of year</b>	<u>127,640</u>	<u>(6,940)</u>	<u>(6,940)</u>	<u>-</u>
<b>Fund balance (deficit) at end of year</b>	<u>\$ 127,640</u>	<u>\$ (6,634)</u>	<u>\$ (35,678)</u>	<u>\$ (29,044)</u>

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**  
Monroe, Louisiana

**Schedule of Revenues, Expenditures and  
Changes in Fund Balances - Budget (GAAP Basis) and Actual**

**Restore Louisiana**

For the Year Ended June 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance With Final Budget Favorable (Unfavorable)</b>
	<u>Original</u>	<u>Final</u>		<u>(Unfavorable)</u>
<b>Revenues</b>				
Other Federal grants	\$ -	\$ 230,368	\$ 2,086,509	\$ 1,856,141
Loan payments received	-	-	74,884	74,884
<b>Total revenues</b>	<u>-</u>	<u>230,368</u>	<u>2,161,393</u>	<u>1,931,025</u>
<b>Expenditures</b>				
Salaries	-	13,821	20,838	(7,017)
Fringe	-	-	-	-
Travel	-	-	-	-
Operating services	-	214,792	2,065,671	(1,850,879)
Operating supplies	-	1,755	-	1,755
<b>Total expenditures</b>	<u>-</u>	<u>230,368</u>	<u>2,086,509</u>	<u>(1,856,141)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	-	-	74,884	74,884
<b>Other financing sources and (uses)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total other financing sources and uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	-	-	74,884	74,884
<b>Fund balance (deficit) at beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance (deficit) at end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 74,884</u>	<u>\$ 74,884</u>

**OTHER SUPPLEMENTAL INFORMATION**

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**  
Monroe, Louisiana

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2019**

	<u>Area Agency on Aging</u>	<u>Title III B Supporting Services</u>	<u>Title III C-1 Congregate Meals</u>
<b>Revenues</b>			
Intergovernmental			
Governor's Office of Elderly Affairs	\$ 113,693	\$ 310,506	\$ 380,850
U.S. Department of Commerce	-	-	-
U.S. Department of Transportation	-	-	-
Other Federal grants	-	-	-
Ouachita Council of Governments	-	-	-
Membership dues	-	-	-
Admin fees	-	-	-
<b>Total revenues</b>	<u>113,693</u>	<u>310,506</u>	<u>380,850</u>
<b>Expenditures</b>			
Salaries	60,565	-	-
Fringe	13,105	-	-
Travel	3,037	-	-
Operating services	45,675	-	307,130
Operating supplies	2,029	-	-
Other costs	2,268	-	-
Grants to subrecipients		310,506	73,720
<b>Total expenditures</b>	<u>126,679</u>	<u>310,506</u>	<u>380,850</u>
<b>Excess (deficiency) of revenues over expenditures</b>	(12,986)	-	-
<b>Other financing sources/(uses)</b>			
Transfers in	12,986	-	-
Transfers out	-	-	-
<b>Total other financing sources/(uses)</b>	<u>12,986</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	-	-	-
<b>Fund balances at beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances at end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

<u>Title III D Preventive Health</u>	<u>Title III E Caregiver</u>	<u>Title III C-2 Home Delivered Meals</u>	<u>NSIP Cash-in-Lieu</u>	<u>Economic Development Administration</u>	<u>Economic Development Disaster Recovery</u>
\$ 28,578	\$ 64,963	\$ 455,992	\$ 174,998	\$ -	\$ -
-	-	-	-	70,725	60,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	22,406	-
-	-	-	-	-	-
<u>28,578</u>	<u>64,963</u>	<u>455,992</u>	<u>174,998</u>	<u>93,131</u>	<u>60,000</u>
-	-	-	-	41,401	-
-	-	-	-	11,568	-
-	-	-	-	4,005	-
28,578	9,450	332,679	191,234	22,884	60,000
-	-	-	-	2,758	-
-	54,502	-	-	10,515	-
-	1,011	123,313	-	-	-
<u>28,578</u>	<u>64,963</u>	<u>455,992</u>	<u>191,234</u>	<u>93,131</u>	<u>60,000</u>
-	-	-	(16,236)	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	(16,236)	-	-
-	-	-	16,811	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 575</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**  
Monroe, Louisiana

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2019**

	<b>Ouachita Council of Governments</b>	<b>Federal Transit Authority</b>	<b>Regional Human Service Contract</b>
<b>Revenues</b>			
Intergovernmental			
Governor's Office of Elderly Affairs	\$ -	\$ -	\$ -
U.S. Department of Commerce	-	-	-
U.S. Department of Transportation	-	33,080	7,385
Other Federal grants	-	-	-
Ouachita Council of Governments	35,613	8,271	-
Membership dues	-	-	-
Admin fees	-	-	-
<b>Total revenues</b>	<b>35,613</b>	<b>41,351</b>	<b>7,385</b>
<b>Expenditures</b>			
Salaries	22,785	20,407	3,886
Fringe	3,626	4,725	914
Travel	1,045	1,241	-
Operating services	7,150	9,624	25
Operating supplies	295	1,115	2,481
Other costs	712	4,239	79
Grants to subrecipients	-	-	-
<b>Total expenditures</b>	<b>35,613</b>	<b>41,351</b>	<b>7,385</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other financing sources/(uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
<b>Total other financing sources/(uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balances at beginning of year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balances at end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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



<u>Federal Highway Authority</u>	<u>Strategic Highway Safety Plan</u>	<u>Ombudsman</u>	<u>Delta Regional Authority</u>	<u>Total</u>
\$ -	\$ -	\$ 127,819	\$ -	\$ 1,657,399
-	-	-	-	130,725
217,130	161,965	-	-	419,560
-	-	-	22,000	22,000
54,282	-	-	-	98,166
-	-	-	-	22,406
-	-	-	40,557	40,557
<u>271,412</u>	<u>161,965</u>	<u>127,819</u>	<u>62,557</u>	<u>2,390,813</u>
143,429	80,754	76,898	29,035	479,160
32,336	18,925	21,157	7,979	114,335
8,840	10,024	15,501	2,615	46,308
76,428	47,147	24,649	20,996	1,183,649
7,179	3,313	2,041	1,932	23,143
3,200	1,802	1,970	-	79,287
-	-	-	-	508,550
<u>271,412</u>	<u>161,965</u>	<u>142,216</u>	<u>62,557</u>	<u>2,434,432</u>
-	-	(14,397)	-	(43,619)
-	-	14,397	-	27,383
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>14,397</u>	<u>-</u>	<u>27,383</u>
-	-	-	-	(16,236)
-	-	-	-	16,811
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 575</u>
				(concluded)

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**

Monroe, Louisiana

**Schedule of Changes in Capital Assets and  
Investment in Capital Assets**

For the Year Ended June 30, 2019

	<u>Balance</u> <u>06/30/2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>06/30/2019</u>
<b>Capital assets</b>				
Land	\$ 310,421	\$ -	\$ -	\$ 310,421
Buildings	883,507	-	-	883,507
Furniture and equipment	75,669	3,512	(8,442)	70,739
<b>Total</b>	<u>\$1,269,597</u>	<u>\$ 3,512</u>	<u>\$ (8,442)</u>	<u>\$1,264,667</u>
<b>Investment in capital assets</b>				
<b>Major funds</b>				
General Fund	\$ 3,049	\$ 3,512	\$ (622)	\$ 5,939
Restore	1,755	-	-	1,755
<b>Nonmajor Funds</b>				
Area Agency on Aging	1,572	-	(380)	1,192
Economic Development Administration	1,195,842	-	(792)	1,195,050
Council of Governments	2,587	-	(439)	2,148
Federal Transit Authority	4,553	-	(528)	4,025
Regional Human Service Contract	1,127	-	-	1,127
Federal Highways Administration	46,414	-	(2,845)	43,569
Ombudsman	10,480	-	(1,205)	9,275
Delta Regional Authority	144	-	(144)	-
North Delta Caregiver	171	-	(120)	51
Region 8 OHSEP	56	-	(56)	-
Senior Rx	1,771	-	(1,235)	536
Tri-District Development	76	-	(76)	-
<b>Total</b>	<u>\$1,269,597</u>	<u>\$ 3,512</u>	<u>\$ (8,442)</u>	<u>\$1,264,667</u>

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**  
Monroe, Louisiana

**Schedule of Compensation, Benefits and Other  
Payment to Chief Executive Officer**

For the Year Ended June 30, 2019

<b>Agency Head</b>	<b>David Creed Executive Director</b>	
<u>Purpose</u>	<u>Amount</u>	
Salary	\$	90,000
Benefits-Insurance Contributions		4,130
Benefits-Retirement Contributions		4,500
Reimbursements		322

**REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*  
AND THE UNIFORM GUIDANCE**



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

**Board of Directors  
North Delta Regional Planning and  
Development District, Incorporated  
Monroe, Louisiana**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of North Delta Regional Planning and Development District, Incorporated, (the District), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated April 9, 2020.

***Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we 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 our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we 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, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the 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 have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and

**Board of Directors  
North Delta Regional Planning and  
Development District, Incorporated  
Monroe, Louisiana**

questioned costs as Findings 2019-001, and 2019-002, that we consider to be material weaknesses.

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the District'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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2019-003.

***The District's Response to Findings***

The District's response to the finding identified in our audit is described in the accompanying schedule of finding and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

***Purpose of this Report***

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

*Woodard + Associates*

**(A Professional Accounting Corporation)**

**April 9, 2019**



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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE**

**Board of Directors  
North Delta Regional Planning and  
Development District, Incorporated  
Monroe, Louisiana**

***Report on Compliance for Each Major Federal Program***

We have audited North Delta Regional Planning and Development District, Incorporated's (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2019. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our qualified and unmodified opinions on compliance for the major federal program. However, our audit does not provide a legal determination of the District's compliance.

**Board of Directors  
North Delta Regional Planning and  
Development District, Incorporated  
Monroe, Louisiana**

***Basis for Qualified Opinion on Aging Cluster***

As described in the accompanying schedule of findings and questioned costs, the District did not comply with requirements regarding CFDA 93.044, 93.045, 93.053 as described in finding 2019-004 for Subrecipient Monitoring. Compliance with such requirements is necessary, in our opinion, for the District to comply with the requirements applicable to that program.

***Qualified Opinion on Aging Cluster***

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the District complied, in all material respects with the types of compliance requirements referred to above that could have a direct and material effect on the Aging Cluster for the year ended June 30, 2019.

***Unmodified Opinion on Each of the Other Major Federal Programs***

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2019.

***Other Matters***

The results of our auditing procedures disclosed other instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2019-006. Our opinion on each major federal program is not modified with respect to these matters.

The District's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

***Report on Internal Control Over Compliance***

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed



**Board of Directors  
North Delta Regional Planning and  
Development District, Incorporated  
Monroe, Louisiana**

below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2019-005 and 2019-007 to be material weaknesses.

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

The District's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Woodard + Associates*

**(A Professional Accounting Corporation)**

**April 9, 2019**

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**

Monroe, Louisiana

**Schedule of Expenditures of Federal Awards**

For the Year Ended June 30, 2019

<b>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME</b>	<b>Federal CFDA Number</b>	<b>Pass - Through Grantor's I.D. Number</b>	<b>Passed Through to Subrecipients</b>	<b>2019 Expenditures</b>
<b>United States Department of Commerce</b>				
Direct Program				
Economic Development - Support for Planning Organizations	11.302	N/A	\$ -	\$ 70,725
Economic Development - Economic Adjustment Assistance	11.307	N/A	-	40,000
Total United States Department of Commerce				<u>110,725</u>
<b>United States Department of Housing and Urban Development (HUD)</b>				
Passed-Through the Louisiana Division of Administration Office of Community Development - Disaster Recovery Unit				
Restore Louisiana Small Business Program	14.228	B-16-DL-22-0001	1,085,088	2,086,509
Total United States Department of Housing and Urban Development				<u>2,086,509</u>
<b>United States Department of Transportation</b>				
Passed-Through the Ouachita Council of Governments				
Regional Strategic Highway Safety Plan	20.205	H.013551.1	-	161,965
Highway Planning & Construction (Federal-Aid Highway Program)	20.205	H.972314.1	-	217,129
Federal Transit - Metropolitan Planning Grants	20.505	PL80-37-20	-	33,080
Formula Grants for Rural Areas	20.509	PL80-37-20	-	4,923
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	PL80-37-20	-	2,462
Total United States Department of Transportation				<u>419,559</u>
<b>Delta Regional Authority</b>				
Direct Program				
Delta Local Development District Assistance	90.202	N/A	-	22,000
Total Delta Regional Authority				<u>22,000</u>
<b>United States Department of Health and Human Services - Administration on Aging</b>				
Passed-Through the Louisiana Governor's Office of Elderly Affairs				
Aging Cluster				
Grants for Supportive Services and Senior Centers				
Title III B - Ombudsman Services	93.044	4400013946	-	99,780
Title III B - Supportive Services	93.044	4400014257	299,101	213,244
Special Programs for the Aging				
Title III C-1 - Area Agency Administration	93.045	4400014257	-	85,270
Title III C-1 - Congregate Meals	93.045	4400014257	73,720	239,748
Title III C-2 - Home Delivered Meals	93.045	4400014257	1,011	159,135
Nutritional Services Incentive Program	93.053	4400010881	123,313	191,234
Total Aging Cluster				<u>988,411</u>
Title III D - Disease Prevention and Health Promotion Services	93.043	4400014257	-	28,578
Title III E - National Family Caregiver Support	93.052	4400014257	-	48,722
Total United States Department of Health and Human Services				<u>1,065,711</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>				<u>\$ 3,704,504</u>

See Notes to Schedule of Expenditures of Federal Awards

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**  
Monroe, Louisiana

**Notes to the Schedule of Expenditures of Federal Awards**  
For the Year Ended June 30, 2019

**1: GENERAL**

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") presents the federal award activity of the North Delta Regional Planning and Development District, Incorporated, (the District) under programs of the federal government for the year ended June 30, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the District.

**2: BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the District's basic financial statements for the year ended June 30, 2019. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**3: INDIRECT COST RATE**

The District did not elect to use the 10% de minimis indirect cost rate.

(continued)

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**  
Monroe, Louisiana

**Notes to the Schedule of Expenditures of Federal Awards**  
For the Year Ended June 30, 2019

**4: RELATIONSHIP TO FUNDS SENT BY GOEA**

Federal Awards revenues reported differ from amount reported sent by Louisiana Governor's Office of Elderly Affairs (GOEA) due to deferred revenues and prior year revenue remitted to GOEA, then returned by GOEA to North Delta for distribution to other agencies:

	<u>GOEA Revenue</u>	<u>Due to Grantor</u>	<u>Federal Awards Schedule</u>	<u>State Revenue</u>
	<u>FY19</u>	<u>FY19</u>	<u>FY19</u>	<u>FY19</u>
Title III C- Federal	\$ 85,270	\$ -	\$ 85,270	\$ -
Title III C - State	28,423	-	-	28,423
Title III B - Federal	99,780	-	99,780	-
Title III B - State	28,039	-	-	28,039
Title III B SS - Federal	220,001	(6,757)	213,244	-
Title III B SS - State	100,344	(3,082)	-	97,262
Title III C-1 - Federal	239,748	-	239,748	-
Title III C-1 - State	141,102	-	-	141,102
Title III C-2 - Federal	159,135	-	159,135	-
Title III C-2 - State	296,857	-	-	296,857
Title III D - Federal	28,578	-	28,578	-
Title III E - Federal	65,118	(16,397)	48,721	-
Title III E - State	21,707	(5,465)	-	16,242
NSIP - Federal	174,997	-	159,135	-
	<u>\$ 1,689,099</u>	<u>\$ (31,701)</u>	<u>\$ 1,033,611</u>	<u>\$ 607,925</u>

(concluded)

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**  
Monroe, Louisiana

**Schedule of Findings and Questioned Costs**  
For the Year Ended June 30, 2019

**Section I – Summary of Auditors’ Results**

*Financial Statements:*

Type of Auditors’ Report Issued: Unmodified

Internal Control Over Financial Reporting:

Material Weakness(es) identified? Yes

Significant deficiency(s) identified not considered to be material weaknesses? None reported

Noncompliance material to financial statements noted? Yes

*Federal Awards:*

Internal Control Over Major Programs:

Material weakness(es) identified? Yes

Significant deficiency(s) identified not considered to be material weakness(es)? None reported

Type of auditor’s report issued on compliance for major programs: Qualified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?  
Yes

Questioned Costs: None Reported

Dollar threshold used to distinguish between Type A and Type B programs \$750,000

Auditee qualified as low risk auditee? No

*Identification of Major Programs:*

<u>CFDA #</u>	<u>PROGRAM TITLE</u>
14.228	Restore Louisiana Small Business Program
<u>Aging Cluster</u>	
93.044	Title III, Part B, Grants for Supportive Services and Senior Center
93.045	Title III, Part C, Nutrition Services
93.053	Nutrition Services Incentive Program

**NORTH DELTA REGIONAL PLANNING AND  
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**Schedule of Findings and Questioned Costs**  
For the Year Ended June 30, 2019

**Section II – Findings related to the financial statements that are required to be reported  
under *Government Auditing Standards*:**

**2019-001 Internal Controls over Accounting Operations**

**First reported in 2017**

**Budget Criteria or Specific Requirement**

According to the Committee of Sponsoring Organizations of the Treadway Commission Report (COSO), internal controls should be designed and operating to allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. Internal controls should be designed to provide accurate financial information to management in a timely manner to allow for decision making. Programs must be managed by knowledgeable individuals to ensure compliance with program requirements.

Written policies and procedures are necessary for the successful operation of internal controls. Additionally, management should perform risk assessments and other evaluations to ensure internal controls are designed and operating effectively and take appropriate action in cases where they are not in order to perform risk assessments and other evaluations, the District's policy is to adopt budgets for the general fund and all major funds.

**Condition Found**

Primarily due to the conditions related to the Aging Cluster and Restore programs described in Findings 2019-004 through 2019-007, the District was unable to produce accurate financial reports until six months after year end and, thus, financial information was not available to management in a timely manner for decision making. Monthly financial information, including budget to actual comparisons and bank reconciliations, were not presented to the Board. Accurate financial information was not available to the auditors in a timely manner. The District could not provide approved budgets for the general fund and all major funds.

**Cause**

Internal controls were not adequately designed and operating.

**Effect**

Accurate financial information was not available to management, governance or the auditors in a timely manner.

**Recommendations to Prevent Future Occurrences**

Internal controls should be improved to ensure production of accurate accounting records in a timely manner. A knowledgeable individual should review and reconcile all accounts monthly to

**NORTH DELTA REGIONAL PLANNING AND  
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Monroe, Louisiana

**Schedule of Findings and Questioned Costs**

For the Year Ended June 30, 2019

ensure accuracy and financial statements should be available to management within a time frame to allow for informed decision making. Individuals with a comprehensive understanding of Federal programs should manage activities to ensure compliance with requirements.

**Management's Response**

See Management's Corrective Action Plan later in the report.

**2019-002 Internal Controls over Cash Operations**

**First reported in 2017**

**Criteria or Specific Requirement**

According to the Committee of Sponsoring Organizations of the Treadway Commission Report (COSO), internal controls should be designed and operating to allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. Internal controls should be designed to require safeguards over cash, adequate segregation of duties over accounting functions, accurate financial information available to management timely to allow for accurate decision making and bank reconciliations prepared and approved by two separate individuals, allowing for transparency and segregation of duties.

2 CFR section 200.305(b)(1) states that when a non-Federal entity is paid in advance, the timing and amount of advance payments must be as close as administratively feasible to the actual disbursements by the non-Federal entity for direct program or project costs and the proportionate share of any allowable indirect costs.

**Condition Found**

Bank reconciliations reviewed did not notate who did the reconciliation and reconciliation was not completed in a timely manner. Aging Cluster funds were received in one fiscal month but not disbursed until the next fiscal month.

**Cause**

Internal controls were not designed and operating to ensure cash operations are effective and compliant.

**Effect**

Internal controls over cash operations do not allow employees in the normal course of their duties to detect and correct misstatements in a timely manner. The District is not in compliance with Federal regulations and subrecipients do not receive funds within the time period stipulated by program requirements.

**Recommendations to Prevent Future Occurrences**

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**  
Monroe, Louisiana

**Schedule of Findings and Questioned Costs**  
For the Year Ended June 30, 2019

The District needs to develop written policies and procedures to ensure that bank reconciliations are appropriately documented for completion and approval. Additionally, cash operations should ensure that advance payments are properly managed in accordance with applicable laws and regulations.

**Management's Response**

See Management's Corrective Action Plan later in the report.

**2019-003 Noncompliance with State Law**

**First reported in 2017**

**Criteria or Specific Requirement**

Louisiana Revised Statute 24:513 requires that the District prepare and submit its audited financial statements to the Louisiana Legislative Auditor no later than six months after the end of the most recent fiscal year.

**Condition Found**

Due to delays associated with deficiencies noted in the above findings, the audited financial statements were not able to be submitted within the time frame prescribed by law. Therefore, the District was not in compliance with state law.

**Cause**

Management has not adopted policies and procedures to ensure that required internal controls ensure compliance with state laws and regulations.

**Effect**

The District could be in violation of state laws and regulations and failure to follow the proper procedures could result in withholding of funding until in compliance with statute.

**Recommendations to Prevent Future Occurrences**

The District should correct noted deficiencies and ensure that reliable records are provided to the auditors in a timely manner.

**Management's Response**

See Management's Corrective Action Plan later in the report.



**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**  
Monroe, Louisiana

**Schedule of Findings and Questioned Costs**  
For the Year Ended June 30, 2019

**Section III – Findings or questioned costs for Federal awards, including those specified by  
Uniform Guidance:**

**2019-004 Aging Cluster - Compliance**

**First reported in 2017**

**Federal Program**

93.044, 93.045, 93.053 Aging Cluster

Department of Health and Human Services – Administration on Aging  
Passed Through the Louisiana Governor’s Office of Elderly Affairs (GOEA)  
Federal award identification number-n/a; 2019 award

**Criteria or Specific Requirement**

Compliance with Subrecipient Monitoring Requirements

Uniform Guidance compliance requirements state that a pass-through District (PTE) must:

- Evaluate Risk – Evaluate each subrecipient’s risk of noncompliance for purposes of determining the appropriate subrecipient monitoring related to the subaward (2 CFR section 200.331(b)).
- Monitor – Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, complies with the terms and conditions of the subaward, and achieves performance goals (2 CFR sections 200.331(d) through (f)).

**Condition Found**

Compliance with Subrecipient Monitoring Requirements

We reviewed the contracts with the Councils on Aging and they do not clearly identify to the subrecipients that these are subawards, as required, and do not include the other required information given in 2 CFR section 200.331(a).

Non compliance with subrecipient monitoring requirements was identified during the course of the prior audit and communicated with management. Management immediately directed staff to comply with program requirements and staff increased diligence in monitoring but not sufficient to meet program requirements.

Ombudsman Program

When we inquired of North Delta to show us that they are in compliance with program requirements and that they are monitoring program operations. We were not provided documentation sufficient to make determinations that they were both in compliance and controls over compliance were designed and operating.

**Cause**

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**

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**Schedule of Findings and Questioned Costs**

For the Year Ended June 30, 2019

Management has not adopted policies and procedures to ensure that required internal controls for reporting are in place and operating sufficiently to ensure compliance with grant requirements and Uniform Guidance. The Aging Director was not provided enough resources for the position she held in that she was performing duties for other programs in addition to managing the Aging program.

**Questioned Costs**

There are no questioned costs related to this finding.

**Perspective Information**

These issues are isolated to this program

**Identification of Repeat Findings**

This is a partial repeat of 2018-004.

**Effect**

The District could be in violation of state and federal regulations governing federal awards.

**Recommendations to Prevent Future Occurrences**

There are no recommendations because the program was transferred to another agency after year end.

**Management's Response**

See Management's Corrective Action Plan later in the report.

**2019-005 Aging Cluster – Internal Controls**

**First reported in 2017**

**Federal Program**

93.044, 93.045, 93.053 Aging Cluster

Department of Health and Human Services – Administration on Aging

Passed Through the Louisiana Governor's Office of Elderly Affairs

Federal award identification number-n/a; 2019 award

**Criteria or Specific Requirement**

2 CFR 200.303 requires that the entity establish and maintain effective internal controls over the Federal award that provides reasonable assurance that the entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. Nonfederal entities are required to have certain written policies and procedures surrounding the management of their federal award funding.

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**  
Monroe, Louisiana

**Schedule of Findings and Questioned Costs**  
For the Year Ended June 30, 2019

**Condition Found**

Internal controls did not prevent or detect and correct noncompliance with federal requirements in a timely manner. The 2018 audit was conducted late into the 2019 fiscal year and management's strengthening of internal controls occurred too late to affect most of fiscal year 2019. Subsequent to the end of the 2019 fiscal year, the program was transferred to another entity.

**Cause**

Management has not adopted policies and procedures to ensure that required internal controls for reporting are in place and operating sufficiently to ensure compliance with grant requirements and Uniform Guidance.

**Questioned Costs**

There are no questioned costs related to this finding.

**Perspective Information**

These are issues isolated to this program

**Identification of Repeat Findings**

This is a partial repeat of 2018-005.

**Effect**

The District could be in violation of state and federal regulations governing federal awards.

**Recommendations to Prevent Future Occurrences**

There are no recommendations because the program was transferred to another agency after year end.

**Management's Response**

See Management's Corrective Action Plan later in the report.

**2019-006 Restore - Compliance**

**First reported in 2018**

**Federal Program**

14.228 Restore Louisiana Small Business Program

United States Department of Housing and Urban Development (HUD)

Passed Through the Louisiana Division of Administration Office of Community  
Development - Disaster Recovery Unit

Federal award identification number-B-16-DL-22-0001

**NORTH DELTA REGIONAL PLANNING AND  
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**Schedule of Findings and Questioned Costs**

For the Year Ended June 30, 2019

**Criteria or Specific Requirement**

Compliance with Reporting Requirements

2 CFR section 200.327 details reporting requirements for federal programs. Additionally, the grant agreement states that grantee shall submit draw requests for payment of eligible expenses.

**Condition Found**

Compliance with Reporting Requirements

Reports were not submitted timely. Records were not maintained during the first half of the year to segregate program expenses and when reports were created at the end or subsequent to year end, the Director had to research what costs could be claimed under the program. Reports were likewise not submitted for reimbursement from the funding agency in a timely manner.

**Cause**

During the 2016/17 fiscal year, management approved a new program without a clear understanding of compliance requirements or accounting for said program. The program was not immediately assigned to knowledgeable staff and the consulting CPA was not informed about the program and compliance requirements. As a result, cost reimbursement requests were not submitted, and expenses were not accrued until more than half-way through the 2018/19 fiscal year.

**Questioned Costs**

None

**Perspective Information**

These issues are isolated to this program

**Identification of Repeat Findings**

This is a partial repeat of 2018-006.

**Effect**

The District could be in violation of state and federal regulations governing federal awards.

**Recommendations to Prevent Future Occurrences**

Subsequent to year end, a new Executive Director was named and has been proactive in proper management of federal programs. Management should continue to understand and monitor compliance with program requirements through review and reconciliation of program activities.

**Management's Response**

See Management's Corrective Action Plan later in the report.

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**  
Monroe, Louisiana

**Schedule of Findings and Questioned Costs**  
For the Year Ended June 30, 2019

**2019-007 Restore -Internal Controls**

**First reported in 2018**

**Federal Program**

14.228 Restore Louisiana Small Business Program  
United States Department of Housing and Urban Development (HUD)  
Passed Through the Louisiana Division of Administration Office of Community  
Development - Disaster Recovery Unit  
Federal award identification number-B-16-DL-22-0001

**Criteria or Specific Requirement**

2 CFR 200.303 requires that the entity establish and maintain effective internal controls over the Federal award that provides reasonable assurance that the entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. Nonfederal entities are required to have certain written policies and procedures surrounding the management of their federal award funding.

**Condition Found**

Internal Controls over Reporting Requirements

Internal controls were not sufficient to prevent or detect and correct noncompliance with reporting requirements in a timely manner. Written policies do not establish responsibility and provide the procedures for periodic monitoring, verification, and reporting of program progress and accomplishments. Summaries of minutes did not support that budget to actual financial reports were presented to the Board of Directors or that the Board regularly reviews the program progress and performance. Program expenses were not charged to the program until late in the fiscal year.

**Cause**

Management has not adopted policies and procedures to ensure that required internal controls for reporting are in place and operating sufficiently to ensure compliance with grant requirements and Uniform Guidance.

**Questioned Costs**

None

**Perspective Information**

These are issues are isolated to this program

**Identification of Repeat Findings**

This is a partial repeat of 2018-007.

**Effect**

The District could be in violation of state and federal regulations governing federal awards.

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**  
Monroe, Louisiana

**Schedule of Findings and Questioned Costs**  
For the Year Ended June 30, 2019

**Recommendations to Prevent Future Occurrences**

Subsequent to year end, a new Executive Director was named and has been proactive in proper management of federal programs. Internal controls should continue to be strengthened to ensure compliance with all program requirements.

**Management's Response**

See Management's Corrective Action Plan later in the report.

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**

Monroe, Louisiana

**Management's Corrective Action Plan**

For the Year Ended June 30, 2019

**2019-001 Internal Controls over Accounting Operations**

**Management's Corrective Action Plan**

North Delta did not become aware of the issues with the aging and restore program until too late in the 2019 fiscal year to make all the necessary changes to correct it. The Restore program is a partnership with another planning district and we are working with that agency to get all reports done timely so that we can have an accurate accounting each month. In July 2019 the District decided that the problems related to the Aging program were not feasible to fix and decided that it was in everyone's best interest to no longer participate in the Area Agency on Aging program. North Delta provides the board with monthly financial information and budgets to actuals at each meeting.

**Person responsible for corrective action plan**

Doug Mitchell, Executive Director (318) 387-2572

**Anticipated completion**

Completed by 06/30/2020

**2019-002 Internal Controls over Cash Operations**

**Management's Corrective Action Plan**

In July 2019 the June bank reconciliation was reviewed and a few old items were voided. North Delta reprinted bank reconciliations that were changed over the year and did not keep the old bank reconciliations. Bank reconciliations are prepared monthly and signed by management. The aging cluster has been behind on payments to the councils for many years. North Delta had to cut expenses to catch up the payments to the councils so that we could relinquish the program during 2020.

**Person responsible for corrective action plan**

Doug Mitchell, Executive Director (318) 387-2572

**Anticipated completion**

Completed by 06/30/2020

**2019-003 Noncompliance with State Laws and Regulations**

**Management's Corrective Action Plan**

The District is making the appropriate changes to make sure all deficiencies are corrected and reliable records are provided to auditors in a timely manner.

**Person responsible for corrective action plan**

Doug Mitchell, Executive Director (318) 387-2572

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**

Monroe, Louisiana

**Management's Corrective Action Plan**

For the Year Ended June 30, 2019

**Anticipated completion**

Completed by 06/30/2020

**2019-004 Aging Cluster - Compliance**

**Management's Corrective Action Plan**

North Delta recognizes the shortfalls in running this program and it was transferred to another agency subsequent year end.

**Person responsible for corrective action plan**

Doug Mitchell, Executive Director (318) 387-2572

**Anticipated completion**

Completed by 06/30/2020

**2019-005 Aging Cluster – Internal Controls**

**Management's Corrective Action Plan**

North Delta recognizes the shortfalls in running this program and it was transferred to another agency subsequent year end.

**Person responsible for corrective action plan**

Doug Mitchell, Executive Director (318) 387-2572

**Anticipated completion**

Completed by 06/30/2020

**2019-006 Restore - Compliance**

**Management's Corrective Action Plan**

In July 2019, a new Executive Director was named and has been proactive in management of federal programs. North Delta will continue to better understand and monitor compliance with program requirements through review and reconciliation of program activities.

**Person responsible for corrective action plan**

Doug Mitchell, Executive Director (318) 387-2572

**Anticipated completion**

Completed by 06/30/2020



**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**  
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**Management's Corrective Action Plan**  
For the Year Ended June 30, 2019

**2019-007 Restore -Internal Controls**

**Management's Corrective Action Plan**

In July 2019, a new Executive Director was named and has been proactive in management of federal programs. North Delta will continue to better understand and monitor compliance with program requirements through review and reconciliation of program activities. This includes strengthening internal controls to ensure compliance with all program requirements.

**Person responsible for corrective action plan**

Doug Mitchell, Executive Director (318) 387-2572

**Anticipated completion**

Completed by 06/30/2020

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**

Monroe, Louisiana

**Summary Status of Prior Year Findings**

For the Year Ended June 30, 2019

The following is a summary of the status of the prior year findings included in Huffman & Soignier (APAC)'s audit report date July 30, 2019, covering the audit of the financial statements of North Delta Regional Planning and Development District, Incorporated (the District) as of and for the year ended June 30, 2018.

**2018-001 Internal Controls over Accounting Operations**

**Condition Found**

Primarily due to the conditions related to the Aging Cluster and Restore programs described in Findings 2018-004 through 2018-007, the District was unable to produce accurate financial reports until nearly eleven months after year end and, thus, financial information not available to management in a timely manner for decision making. Monthly financial information, including budget to actual comparisons and bank reconciliations, were not presented to the Board. Accurate financial information was not available to the auditors in a timely manner. The District did not adopt budgets for the general fund and all major funds.

**Status**

**Refer to Finding 2019-001**

**2018-002 Internal Controls over Cash Operations**

**Condition Found**

Bank reconciliations prepared did not notate who did the reconciliation, the date it was reconciled nor any approval of the reconciliation for any of the bank accounts. Aging Cluster funds were received in one fiscal month but not disbursed until the next fiscal month.

**Status**

**Refer to Finding 2019-002**

**2018-003 Noncompliance with State Laws and Regulations**

**Condition Found**

Due to delays associated with deficiencies noted in the above findings, the audited financial statements were not able to be submitted within the time frame prescribed by law. Therefore, the District was not in compliance with state law.

**Status**

**Refer to Finding 2019-003**

**NORTH DELTA REGIONAL PLANNING AND  
DEVELOPMENT DISTRICT, INCORPORATED**  
Monroe, Louisiana

**Summary Status of Prior Year Findings**

For the Year Ended June 30, 2019

**2018-004 Aging Cluster - Compliance**

**Federal Program**

93.044, 93.045, 93.053 Aging Cluster

Department of Health and Human Services – Administration on Aging  
Passed Through the Louisiana Governor’s Office of Elderly Affairs (GOEA)  
Federal award identification number-n/a; 2019 award

**Condition Found**

Compliance with Cash Management Requirements

The funding agency paid Aging Cluster funds on an advance basis, but North Delta disbursed those funds on a reimbursement basis after the Councils had submitted their reimbursement requests. This difference between drawing under the advance method and disbursing under the reimbursement method appears to have resulted in a delay of disbursement of funds. We reviewed all disbursements to the Councils on Aging, and none were disburse to the Councils immediately upon receipt from the funding agency. The delay was an average of 32 days between receipt of funds and payment to the Councils on Aging and 37 days between receipt and payment to Bountiful Foods.

Compliance with Reporting Requirements

None of the 12 monthly reports were submitted to the funding agency by the required deadline. Of the 12 monthly reports, the client was unable to provide proof of submission for 7 of the reports. We tested reports for two programs reported in each of four different months for a total of 8 reports being tested. Of those 8 reports tested:

- 2 listed GOEA Funds received to date as zero even though funds had been received for both programs
- 3 reports did not match supporting documentation
- 2 reports did not have supporting documentation
- 1 month had the supporting documentation but no report

Compliance with Subrecipient Monitoring Requirements

We reviewed the contracts with the Councils on Aging and they do not clearly identify to the subrecipients that these are subawards, as required, and do not include the other required information given in 2 CFR section 200.331(a).

We reviewed the PTE's documentation of monitoring the subaward and considered whether the PTE's monitoring provided reasonable assurance that the subrecipient used the subaward for

**NORTH DELTA REGIONAL PLANNING AND  
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Monroe, Louisiana

**Summary Status of Prior Year Findings**

For the Year Ended June 30, 2019

authorized purposes in compliance with Federal statutes, regulations, and the terms and conditions of the subaward. We concluded that the monitoring did not provide reasonable assurance because:

- The subawards state that monitoring will occur at least biannually, but documentation only indicated one visit to each Council
- One of the grant awards requires quarterly monitoring but documentation only indicated one visit to each Council
- Explanation of monitoring performed was not sufficient for us to understand what work was performed
- All seven Councils were visited over 3 workdays; appears insufficient time to monitor activities thoroughly
- Discrepancies noted had no corrective action plan
- Councils with discrepancies noted also stated that the Council was in compliance and that there were no recommendations
- Initial reports provided failed to include subrecipient entity identification

Ombudsman Program

When we inquired of North Delta to show us that they are in compliance with program requirements and that they are monitoring program operations. We were not provided documentation sufficient to make determinations that they were both in compliance and controls over compliance were designed and operating.

**Status**

**Refer to Finding 2018-004**

**2018-005 Aging Cluster – Internal Controls**

**Federal Program**

93.044, 93.045, 93.053 Aging Cluster

Department of Health and Human Services – Administration on Aging

Passed Through the Louisiana Governor’s Office of Elderly Affairs

Federal award identification number-n/a; 2019 award

**Condition Found**

Internal Controls over Cash Management Requirements

Internal controls did not to prevent or detect and correct noncompliance with cash management requirements in a timely manner. There is no evidence to indicate anyone is reviewing and/or approving reports. Written policies do not establish responsibility and provide the procedures for periodic monitoring, verification, and reporting of program progress and accomplishments. Summaries of minutes did not support that budget to actual financial reports were presented to the

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Board of Directors or that the Board regularly reviews the program progress and performance. Information was maintained in the computer systems and reports could be produced on demand; however, information was not inputted into the computer system in a timely manner, and, thus, the information was not available in a timely manner. We reviewed all disbursements to the Councils on Aging and none were disbursed to the Councils immediately upon receipt from the funding agency.

Internal Controls over Reporting Requirements

Internal controls did not prevent or detect and correct noncompliance with reporting requirements in a timely manner. There is no evidence to indicate anyone is reviewing and/or approving reports. Written policies do not establish responsibility and provide the procedures for periodic monitoring, verification, and reporting of program progress and accomplishments. Summaries of minutes did no support that budget to actual financial reports were presented to the Board of Directors or that the Board regularly reviews the program progress and performance. Information is maintained in the computer systems and reports can be produced on demand; however, information is not inputted into the computer system in a timely manner, and, thus, the information is not available in a timely manner.

We reviewed the 12 monthly reports submitted to GOEA and none were submitted timely, none were approved by a supervisor, and 7 did not have proof of submission. Supporting documentation did not support any of the 8 program reports reviewed.

Internal Controls over Subrecipient Monitoring Requirements

Internal controls were insufficient to prevent or detect and correct noncompliance with subrecipient monitoring requirements in a timely manner. There is no evidence to indicate anyone is reviewing and/or approving monitoring reports. Written policies do not establish responsibility and provide the procedures for periodic monitoring, verification, and reporting of program progress and accomplishments. Summaries of minutes did no support that budget to actual financial reports were presented to the Board of Directors or that the Board regularly reviews the program progress and performance to include monitoring. We reviewed the monitoring reports and identified that each Council had only been visited once in the fiscal period as opposed to the four visits required and none of the reports were approved by a supervisor. Reports were not sufficiently detailed to determine what actions had been taken during the monitoring visit.

**Status**

**Refer to Finding 2018-005**

**NORTH DELTA REGIONAL PLANNING AND  
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Monroe, Louisiana

**Summary Status of Prior Year Findings**

For the Year Ended June 30, 2019

**2018-006 Restore - Compliance**

**Federal Program**

14.228 Restore Louisiana Small Business Program

United States Department of Housing and Urban Development (HUD)

Passed Through the Louisiana Division of Administration Office of Community  
Development - Disaster Recovery Unit

Federal award identification number-B-16-DL-22-0001

**Condition Found**

Compliance with Activities Allowed or Unallowed Requirements

Documentation requested was not provided timely and, thus, we were unable to conclude that the District confirmed that the monies loaned were used only for activities allowed.

Compliance with Allowable Costs/Cost Principles Requirements

Documentation requested was not provided timely and, thus, we were unable to conclude that the District confirmed that the monies loaned were used only for allowable costs

Compliance with Reporting Requirements

Reports were not submitted timely. Records were not maintained during the year to segregate program expenses and when reports were created more than 7 months after year end, the Director had to research what costs could be claimed under the program. Reports were likewise not submitted for reimbursement from the funding agency in a timely manner.

Compliance with Subrecipient Monitoring Requirements

Documentation requested was not provided timely and, thus, we were unable to conclude that the District conducted required monitoring activities of loan recipients (subrecipients). We interviewed the program director and while monitoring was planned, none had been completed by March 1, 2019.

**Status**

**Refer to Findings 2019-006**

**2018-007 Restore -Internal Controls**

**Federal Program**

14.228 Restore Louisiana Small Business Program

United States Department of Housing and Urban Development (HUD)

Passed Through the Louisiana Division of Administration Office of Community  
Development - Disaster Recovery Unit

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Monroe, Louisiana

**Summary Status of Prior Year Findings**

For the Year Ended June 30, 2019

Federal award identification number-B-16-DL-22-0001

**Condition Found**

Summaries of minutes did not support that the Board approved the District's participation in the Restore program nor was there any indication of governance monitoring the program for compliance with requirements.

Internal Controls over Activities Allowed or Unallowed

Internal controls did not prevent or detect and correct noncompliance with activities allowed or unallowed requirements in a timely manner. Written policies do not establish responsibility and provide the procedures for monitoring, verification, and reporting of program activities. Summaries of minutes did not support that the Board regularly reviews the program progress and performance to include whether activities are allowed or unallowed.

Internal Controls over Allowable Costs/Cost Principles

Internal controls were insufficient to prevent or detect and correct noncompliance with allowable costs/cost principles requirements in a timely manner. Written policies do not establish responsibility and provide the procedures for monitoring, verification, and reporting of program costs. Summaries of minutes did not support that the Board regularly reviews the program progress and performance to include whether costs are allowable.

Internal Controls over Reporting Requirements

Internal controls were not sufficient to prevent or detect and correct noncompliance with reporting requirements in a timely manner. Written policies do not establish responsibility and provide the procedures for periodic monitoring, verification, and reporting of program progress and accomplishments. Summaries of minutes did not support that budget to actual financial reports were presented to the Board of Directors or that the Board regularly reviews the program progress and performance. Program expenses were not charged to the program or monitored during the year.

Internal Controls over Subrecipient Monitoring Requirements

Internal controls did not prevent or detect and correct noncompliance with subrecipient monitoring requirements in a timely manner. Written policies do not establish responsibility and provide the procedures for periodic monitoring, verification, and reporting of subrecipient activities, costs or compliance with program requirements. Summaries of minutes did not support that the Board regularly reviews the program progress and performance to include monitoring of subrecipients.

**Status**

**Refer to Findings 2019-007**



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INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of  
North Delta Regional Planning & Development District, Inc  
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by North Delta Regional Planning & Development District, Inc (The District) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2018 through June 30, 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, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

***Written Policies and Procedures***

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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.

**Results:** The District has no written policies and procedures on topics like receipts/collection, adding vendors, contracting, credit cards, ethics, debt service and disaster recovery/business continuity. It does have written policy for payroll/personnel, but it does not include any policies for (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

**Management's Response:** In March 2019 the District drafted a general finance and accounting policies and procedures document that was adopted in June 2019. This general finance and accounting policies and procedures addresses most of the topics in the written policies and procedures section of the agreed-upon procedures.

After the delayed completion of the 2017-18 audit in July of 2019 and the appointment of new leadership as Executive Director (Doug Mitchell), policies and procedures were implemented to address these inadequacies. Many of the effective changes would not have been reflected in the 2018-19 audit due to the time lapse of the audit periods and the respective reviews. Our written policies and procedures failed to include some of the policies and procedures that were implemented at North Delta and will be added to the policies and procedures during fiscal year 2020.

**Accountant's Response:** Our results above were after reviewing the policy and procedure changes made as of the date of this report.

### ***Board or Finance Committee***

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

**Results:** The minutes didn't reference monthly or quarterly budget-to-actual comparisons presented to the board.

**Management's Response:** Budget to actuals are presented at all quarterly meetings. In the future North Delta will make sure the minutes reflect such.

### ***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.

**Results:** The bank reconciliation was prepared after 4 months of the related statements closing date. It did not have the name of the preparer and the reviewed bank reconciliations were dated earlier than the prepared date.

**Management's Response:** In July 2019 the June bank reconciliations were reviewed and a few old items were voided. North Delta reprinted the bank reconciliations that were changed and did not keep the old bank reconciliations. Bank reconciliations are prepared monthly and signed by management.

### Collections

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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

### ***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 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.

**Results:** The minutes didn't reference monthly or quarterly budget-to-actual comparisons presented to the board.

**Management's Response:** Budget to actuals are presented at all quarterly meetings. In the future North Delta will make sure the minutes reflect such.

### ***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

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.

**Results:** Non-Payroll disbursements are covered under the single audit testing and, thus, exempt from the Statewide Agreed-Upon Procedures.

### ***Credit Cards/Debit Cards/Fuel Cards/P-Cards***

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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).

**Results:** Out of 15 randomly pulled transactions, 7 did not have written documentation of business/public purpose.

**Management's Response:** North Delta has support for all travel to submit to grantors for reimbursement. In the future North Delta will make available all support for trips taken.

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

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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](http://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.

**Results:** Travel and Travel-Related Expense Reimbursements are covered under the single audit testing and, thus, exempt from the Statewide Agreed-Upon Procedures.

### Contracts

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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.

**Results:** Contracts are covered under the single audit testing and, thus, exempt from the Statewide Agreed-Upon Procedures.

### ***Payroll and Personnel***

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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.

**Results:** Payroll and Personnel are covered under the single audit testing and, thus, exempt from the Statewide Agreed-Upon Procedures.

### *Ethics (excluding nonprofits)*

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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.

**Results:** This category was exempt from testing because there were no exceptions in the prior year.

### *Debt Service (excluding nonprofits)*

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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.

**Results:** This category was exempt from testing because there were no exceptions in the prior year.

### *Other*

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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.

**Results:** This category was exempt from testing because the entity is non-profit.



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

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

*Woodard & Associates*

Woodard & Associates  
(A Professional Accounting Corporation)  
Monroe, Louisiana