

**ANNUAL FINANCIAL REPORT**  
**FINANCE AUTHORITY OF ST. TAMMANY PARISH**  
**FOR THE YEAR ENDED**  
**DECEMBER 31, 2020**



**ERICKSEN KRENTEL**<sup>LLP</sup>  
CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Trustees  
Finance Authority of St. Tammany Parish  
Covington, Louisiana

We have audited the accompanying financial statements of the business-type activities of the Finance Authority of St. Tammany Parish (the Authority), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Authority'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 opinions 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, the *Louisiana Governmental Audit Guide*, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 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.



To the Board of Trustees  
Finance Authority of St. Tammany Parish  
Covington, Louisiana

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the Finance Authority of St. Tammany Parish, as of December 31, 2020, and the changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 6 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 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.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying schedule of compensation paid to board members and schedule of compensation, benefits, and other payments to agency head is presented for purposes of additional analysis as required by Act 706 of the 2014 Louisiana Legislative Session and is not a required part of the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



**ERICKSEN KRENTEL** LLP

CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

To the Board of Trustees  
Finance Authority of St. Tammany Parish  
Covington, Louisiana

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2021, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Finance Authority of St. Tammany Parish's internal control over financial reporting and compliance.

Mandeville, Louisiana  
November 15, 2021

*Ericksen Krentel, LLP*

Certified Public Accountants

**REQUIRED SUPPLEMENTARY INFORMATION**

**FINANCE AUTHORITY OF ST. TAMMANY PARISH**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

This section of the Finance Authority of St. Tammany Parish's (the Authority) annual financial report presents management's analysis of the Authority's financial performance for the year ended December 31, 2020. This analysis should be read in conjunction with the audited financial statements, which follow this section.

**FINANCIAL HIGHLIGHTS**

The Authority's assets exceeded its liabilities by \$870,171 at December 31, 2020. The total net position of the Authority increased \$8,472.

The Authority's general and program revenues were \$11,231 in 2020 compared to \$16,583 in 2019, which is a decrease of \$5,352.

Total Authority's expenses were \$2,759 in 2020 compared to \$10,383 in 2019, which is a decrease of \$7,624.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This report consists of two sections: Management's Discussion and Analysis and audited financial statements. The financial statements also include notes that provide additional detail of the information included in the financial statements.

**BASIC FINANCIAL STATEMENTS**

The financial statements of the Authority report information about the Authority using accounting methods similar to those used by private companies. These financial statements provide financial information about the activities of the Authority.

The Statement of Net Position presents information that includes all assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases and decrease in net position may provide a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The Statement of Revenues, Expenditures, and Changes in Net Position presents information on how the Authority's net position changed as a result of current period operations.

The Statement of Cash Flows presents information showing how the Authority's cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income (loss) to net cash provided by (used for) operating activities (indirect method) as required by GASB 34.

The following presents condensed financial information of the Authority.

**FINANCE AUTHORITY OF ST. TAMMANY PARISH**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**  
**AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

SUMMARY OF NET POSITION  
2020 AND 2019

	<u>ASSETS</u>	December 31, <u>2020</u>	December 31, <u>2019</u>
Current assets		<u>\$ 871,671</u>	<u>\$ 863,699</u>
Total assets		<u>871,671</u>	<u>863,699</u>
	<u>LIABILITIES</u>	December 31, <u>2020</u>	December 31, <u>2019</u>
Current liabilities		<u>1,500</u>	<u>2,000</u>
Total liabilities		<u>1,500</u>	<u>2,000</u>
	<u>NET POSITION</u>		
Unrestricted		839,952	828,780
Restricted for program expenses		<u>30,219</u>	<u>32,919</u>
Total net position		<u>\$ 870,171</u>	<u>\$ 861,699</u>

Total assets increased by \$7,972 and total liabilities decreased by \$500. Net position increased by \$8,472 as a result of operations.

Restricted net position represents those assets that are not available for spending as a result of program agreements. Conversely, unrestricted net position, if any, are those that do not have any limitations for which those amounts may be used.

**FINANCE AUTHORITY OF ST. TAMMANY PARISH**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**  
**AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

**SUMMARY OF REVENUES, EXPENDITURES/EXPENSES  
AND CHANGES IN NET POSITION**

	<u>December 31,</u> <u>2020</u>	<u>December 31,</u> <u>2019</u>
Program revenues	\$ 10,561	\$ 15,672
General revenues	670	911
Program expenses	(2,700)	(2,700)
General expenses	<u>(59)</u>	<u>(7,683)</u>
Change in net position	<u>\$ 8,472</u>	<u>\$ 6,200</u>

The change in net position for the Authority's eleventh year of operations was an increase of \$8,472.

**LONG-TERM DEBT**

There was no long-term debt as of the years ended December 31, 2020 and 2019.

**CONTACTING THE AUTHORITY'S MANAGEMENT**

This report is designed to provide a general overview of the Authority and to demonstrate the Authority's accountability for its finances. If you have any questions about this report or need additional information, please contact Matt Faust, Chairman, Finance Authority of St. Tammany Parish, 401 N. Columbia Street, Covington, LA 70433.

## **BASIC FINANCIAL STATEMENTS**

**FINANCE AUTHORITY OF ST. TAMMANY PARISH**  
**STATEMENT OF NET POSITION**  
AS OF DECEMBER 31, 2020

**ASSETS:**

Cash and cash equivalents	\$ 870,739
Accounts receivable	<u>932</u>
Total assets	<u><u>\$ 871,671</u></u>

**LIABILITIES:**

Accounts payable	<u>\$ 1,500</u>
Total liabilities	<u>1,500</u>

**NET POSITION:**

Unrestricted	839,952
Restricted for program expenses	<u>30,219</u>
Total net position	<u><u>\$ 870,171</u></u>

**The accompanying notes are an integral part of this statement**

**FINANCE AUTHORITY OF ST. TAMMANY PARISH**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**REVENUES:**

Mortgage assistance program revenue	\$ 10,561
Interest income	<u>670</u>
Total revenues	<u>11,231</u>

**EXPENSES:**

Soft second mortgage program expenses	2,700
Operating expenses	<u>59</u>
Total expenses	<u>2,759</u>

Change in net position	8,472
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**NET POSITION:**

Beginning of the year	<u>861,699</u>
End of the year	<u><u>\$ 870,171</u></u>

**The accompanying notes are an integral part of this statement**

**FINANCE AUTHORITY OF ST. TAMMANY PARISH**  
**STATEMENT OF CASH FLOWS**  
FOR THE YEAR ENDED DECEMBER 31, 2020

**CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES:**

Interest receipts	\$ 670
Receipts from operating grant	12,849
Administrative expenses	(559)
Payments for program expenses	<u>(2,700)</u>
Net cash provided by operating activities	<u>10,260</u>
Cash and cash equivalents at beginning of year	<u>860,479</u>
Cash and cash equivalents at end of year	<u><u>\$ 870,739</u></u>

**RECONCILIATION OF CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES:**

Change in net position	\$ 8,472
Adjustments to reconcile change in net position to net cash provided by (used in) operating activities:	
Changes in certain assets and liabilities:	
Accounts receivable	2,288
Accounts payable	<u>(500)</u>
Net cash provided by operating activities	<u><u>\$ 10,260</u></u>

**The accompanying notes are an integral part of this statement**

**FINANCE AUTHORITY OF ST. TAMMANY PARISH**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity**

The Finance Authority of St. Tammany Parish (the Authority) was created through a Trust Indenture dated September 11, 2006, pursuant to the provisions of Chapter 2-A of Title 9 of the Louisiana Revised Statutes of 1950, as amended. The initial legislation and subsequent amendments granted the Authority the power to obtain funds and to use the proceeds to promote the financing of owner-occupied single-family residences located in St. Tammany Parish to be owned and occupied by families or persons with qualifying incomes.

The Authority's operations consist of two single family mortgage revenue bond programs whereby the Authority promotes residential home ownership through the acquisition of mortgage loans secured by first mortgage liens on single family residential housing. The funds of these programs are obtained through fees collected through cooperative endeavor agreements with Capital Area Finance Authority and Jefferson Parish Finance Authority.

The administration of the Authority is governed by a board of trustees consisting of four members. All members are appointed by the St. Tammany Parish Council and serve staggered terms ranging from one to three years.

**Basis of Presentation**

The Authority's financial statements are prepared in accordance with U.S. generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. The more significant accounting policies established in GAAP and used by the Authority are discussed below.

The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, issued in June 1999 and as amended by GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*.

**FINANCE AUTHORITY OF ST. TAMMANY PARISH**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
DECEMBER 31, 2020

**(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Accounting**

The Authority follows the accrual basis of accounting whereby revenues are recognized when earned and expenses are recognized when the related liability is incurred.

The Authority has no government or fiduciary funds.

**Cash and Cash Equivalents**

Under state law, the Authority may invest in United States bonds, treasury notes, or certificates. For purposes of the statement of cash flows, these are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at amortized cost.

**Use of Estimates**

The presentation 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 and expenditures during the reporting period. Actual results could differ from those estimates.

**Date of Management Review**

Subsequent events have been evaluated through November 15, 2021, which is the date the financial statements were available to be issued.

**FINANCE AUTHORITY OF ST. TAMMANY PARISH**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
DECEMBER 31, 2020

**(2) CASH AND CASH EQUIVALENTS**

At December 31, 2020, the Authority has cash (book balances) totaling \$870,739.

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 agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Cash and deposits are categorized into three categories of credit risk:

Category 1 includes deposits covered by federal depository insurance or by collateral held by the Authority or its agent, in the Authority's name.

Category 2 includes deposits covered by collateral held by the pledging financial institution's trust department, or its agent in the Authority's name.

Category 3 includes deposits covered by collateral held by the pledging financial institution, or its trust department or agent but not in the Authority's name, and deposits which are uninsured or uncollateralized.

At December 31, 2020, the carrying amount and the bank balances of deposits of the primary government are summarized as follows:

	Bank Balances Category			Bank Balance
	1	2	3	
Cash	\$ 363,113	\$ 507,626	\$ -	\$ 870,739

**OTHER SUPPLEMENTARY INFORMATION**

**FINANCE AUTHORITY OF ST. TAMMANY PARISH**  
**SCHEDULE OF COMPENSATION PAID TO BOARD MEMBERS**  
FOR THE YEAR ENDED DECEMBER 31, 2020

<u>Board of Trustees</u>	<u>Compensation</u>
Matt Faust, President 701 N. Columbia Street Covington, LA 70433	None
Ronald Randolph, Secretary-Treasurer P.O. Box 1364 Slidell, LA 70459	None
Mike Grambel 1695 W. Causeway Approach Mandeville, LA 70471	None
Pete Cavignac 1338 Gause Blvd. Slidell, LA 70458	None

**(See Independent Auditors' Report)**



**OTHER REPORTING REQUIRED BY  
GOVERNMENT AUDITING STANDARDS**



**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***

To the Board of Trustees  
Finance Authority of St. Tammany Parish  
Covington, 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 business-type activities of the Finance Authority of St. Tammany Parish (the Authority), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated November 15, 2021.

**Internal Control over Financial Reporting**

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did identify a deficiency in internal control that we consider to be material weaknesses which is described in the accompanying schedule of findings and responses as item 2020-002. However material weaknesses may exist that have not been identified.



**ERICKSEN KRENTEL** LLP

CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

To the Board of Trustees  
Finance Authority of St. Tammany Parish  
Covington, Louisiana

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as items 2020-001.

### **Finance Authority of St. Tammany Parish's Response to Finding**

Finance Authority of St. Tammany Parish's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. Finance Authority of St. Tammany Parish'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. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Mandeville, Louisiana  
November 15, 2021

A handwritten signature in black ink that reads "Ericksen Krentel, LLP".

Certified Public Accountants

**FINANCE AUTHORITY OF ST. TAMMANY PARISH**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**SECTION I SUMMARY OF AUDIT RESULTS**

1. The auditors' report expresses an unmodified opinion on the financial statements of the Finance Authority of St. Tammany Parish.
2. One material weakness disclosed during the audit is reported in the 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*.
3. One instance of noncompliance disclosed during the audit is reported in the 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*.
4. A management letter was not issued for the year ended December 31, 2020.

**SECTION II FINDINGS – FINANCIAL STATEMENT AUDIT**

**Compliance**

**2020-001 Non-Compliance with Louisiana's Financial Reporting Laws**

Criteria: According to Louisiana Revised Statutes 24:513 and 24:514, the Authority is required to provide an annual financial report to the Louisiana Legislative Auditor no later than six months after its year end.

Condition: The Authority failed to comply with these laws, submitting the required report approximately 15 months after the required deadline.

Effect: The Authority is not in compliance with Louisiana Revised Statutes 24:513 and 24:514.

Cause: The Authority did not have the proper procedures in place to ensure compliance with these laws.

Recommendation: The Board of Trustees should put policies and procedures in place to ensure that required annual reports are filed in a timely manner.

Views of Responsible Officials: Management agrees with the finding and will implement procedures to become compliant with Louisiana Revised Statutes 24:513 and 24:514. See Management's Corrective Action Plan for further information.

**FINANCE AUTHORITY OF ST. TAMMANY PARISH**  
**SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**Material Weakness**

**2020-002 Accounting Records Lack Organization, Kept on Manual Accounting System**

Criteria: Timely financial statement preparation relies on the entity's books and financial records being kept in an organized system where information relevant to the financial statements can be easily retrieved and compiled.

Condition: The Authority maintains its books and financial records on manual system. Bank statements and documents supporting the underlying transactions are kept in various file folders, with no specific organizational structure.

Effect: The lack of organization of the financial records contributed to the delays in completing the required annual financial reports.

Cause: Prior to the Authority's earlier bond issue being retired, the books and records were maintained by the financial institution acting as bond trustees. Upon retirement of the bonds, the responsibility of maintaining the books and records fell to the Authority's board of trustees who used a manual system and failed to maintain the records in an organized fashion.

Recommendation: The Board of Trustees should enact formal accounting policies and procedures, and appoint an individual with oversight, to ensure that the accounting records are maintained in an organized manner. Further the Authority should consider the use of a basic, inexpensive automated accounting system, such as QuickBooks Online, to record all transactions, reconcile all bank accounts, and produce financial reports on a timely basis.

Views of Responsible Officials: Management agrees with the finding and will implement procedures and appoint an individual with oversight, to ensure that accounting records are kept in a more organized fashion and will consider the use of an automated accounting system. See Management's Corrective Action Plan for further information.

**FINANCE AUTHORITY OF ST. TAMMANY PARISH**  
**SCHEDULE OF PRIOR YEAR FINDINGS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

**SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS**

**2019-001 Non-Compliance with Louisiana's Financial Reporting Laws**

This finding has not been resolved as of December 31, 2020 and has been repeated as finding 2020-001.

**2019-002 Accounting Records Lack Organization, Kept on Manual Accounting System**

This finding has not been resolved as of December 31, 2020 and has been repeated as finding 2020-002.

**SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FEDERAL AWARDS**

None Noted

**SECTION III MANAGEMENT LETTER**

None Noted