

ANNUAL FINANCIAL REPORT
ST. TAMMANY PARISH
TOURIST AND CONVENTION COMMISSION
AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2022



ERICKSEN KRENTEL^{LLP}
CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
St. Tammany Parish Tourist and Convention Commission
Mandeville, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the St. Tammany Parish Tourist and Convention Commission (the Commission) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise of the Commission's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Commission, as of December 31, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Commission, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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



St. Tammany Parish Tourist and Convention Commission

June 28, 2023

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.



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June 28, 2023

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- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 5 through 7 and 25 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise of the Commission's basic financial statements. The accompanying schedules of compensation paid to board members and compensation, benefits and other payments to agency head are presented to comply with the requirements issued by the State of Louisiana, and are not required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



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June 28, 2023
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Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2023 on our consideration of the St. Tammany Parish Tourist and Convention Commission'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 the 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 St. Tammany Parish Tourist and Convention Commission's internal control over financial reporting and compliance.

June 28, 2023
Mandeville, Louisiana

Ericksen Krentel, LLP
Certified Public Accountants

REQUIRED SUPPLEMENTARY INFORMATION (PART I)

ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2022

This section of St. Tammany Parish Tourist and Convention Commission's (The Commission) annual financial report presents our discussion and analysis of the Commission's financial performance during the fiscal year that ended December 31, 2022. This analysis should be read in conjunction with the audited financial statements which follow this section.

FINANCIAL HIGHLIGHTS

- The Commission's net position increased by \$746,270.
- The Commission's general revenues were \$3,485,074 and program revenues were \$1,575.
- The total expenses of the Commission were \$2,740,379.

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

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

The Statement of Revenues, Expenditures and Changes in Fund Balance and the Statement of Activities presents information on how the Commission's net position changed as a result of current period operations.

The following presents condensed financial information of the Commission.

**ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2022**

**SUMMARY OF NET POSITION
AS OF DECEMBER 31, 2022 AND DECEMBER 31, 2021**

	2022	2021
Current and other assets	\$ 6,217,371	\$ 5,424,440
Capital assets	303,703	312,357
Total assets	6,521,074	5,736,797
Current and other liabilities	1,549,018	1,519,630
Non-current liabilities	42,209	33,590
Total liabilities	1,591,227	1,553,220
Net position:		
Investment in capital assets	303,703	312,357
Unrestricted	4,626,144	3,871,220
Total net position	\$ 4,929,847	\$ 4,183,577

Total assets increased by \$784,277 (14%) primarily due to an increase in state appropriation receivable of \$629,944. Total liabilities increased by \$38,007 (2%) due to an increase in accounts payable.

Net position increased by \$746,270 (18%) primarily due to increases in state appropriation and local occupancy tax collections.

**STATEMENT OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2022 AND DECEMBER 31, 2021**

	2022	2021
<u>Revenues:</u>		
Program revenue	\$ 1,575	\$ 229,555
General revenue	3,485,074	2,594,856
Total revenues	3,486,649	2,824,411
<u>Expenses:</u>		
Promotion of tourism	2,740,379	2,154,964
Change in net position	746,270	669,447
Net position, beginning of year	4,183,577	3,514,130
Net position, end of year	\$ 4,929,847	\$ 4,183,577

**ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2022**

Total revenues increased by \$662,238 (23%) due to increases in state appropriation and local occupancy tax collections. Expenditures/expenses increased by \$585,415 (27%) due to an increase in salaries and marketing expenses.

CAPITAL ASSETS

Following is a schedule of capital assets, net of accumulated depreciation:

	2022	2021
Capital assets being depreciated	\$ 1,132,418	\$ 1,149,667
Less: accumulated depreciation	(828,715)	(837,310)
Capital assets being depreciated, net	\$ 303,703	\$ 312,357

During the current year ended December 31, 2022, the Commission purchased equipment totaling \$40,378. Depreciation expense was \$42,283 for the year ended December 31, 2022.

BUDGETARY HIGHLIGHTS

The following table presents the variance between the final budget and the actual results for the fiscal year.

ECONOMIC FACTORS AND A LOOK AT NEXT YEAR

In 2023, no revenues or expenses are expected to change significantly during the year.

CONTACTING THE COMMISSION’S MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and customers with an overview of the Commission’s finances and to demonstrate the Commission’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact Donna O’Daniels, President/CEO, 68099 Hwy. 59, Mandeville, Louisiana 70471.

BASIC FINANCIAL STATEMENTS

ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
STATEMENT OF NET POSITION
DECEMBER 31, 2022

ASSETS:

Current assets:

Cash and cash equivalents	\$ 2,084,027
Investments	2,865,895
Receivables	1,127,002
Prepaid expenses	<u>140,447</u>
 Total current assets	 <u>6,217,371</u>

Non-current assets:

Capital assets, net of depreciation	<u>303,703</u>
 Total non-current assets	 <u>303,703</u>

Total assets	<u>6,521,074</u>
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LIABILITIES:

Current liabilities:

Accounts payable	78,773
Accrued liabilities	11,544
Unearned revenue	<u>1,458,701</u>
 Total current liabilities	 <u>1,549,018</u>

Non-current liabilities:

Compensated absences	<u>42,209</u>
 Total non-current liabilities	 <u>42,209</u>

Total liabilities	<u>1,591,227</u>
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NET POSITION:

Invested in capital assets, net of related debt	303,703
Unrestricted	<u>4,626,144</u>
 Total net position	 <u>\$ 4,929,847</u>

The accompanying notes are an integral part of this statement

ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

Functions/Programs	Expenses	Program Revenues Operating Grants	Net (Expense) Revenue and Change in Net Position Governmental Activities
Governmental activities:			
Promotion of tourism	\$ 2,740,379	\$ 1,575	\$ (2,738,804)
 Total governmental activities	 <u>\$ 2,740,379</u>	 <u>\$ 1,575</u>	 <u>\$ (2,738,804)</u>
 General revenues:			
Sales taxes:			
Local collections			2,389,336
State appropriation			699,237
Louisiana DCRT CAP Program			20,000
Miscellaneous income			272,090
Interest income			94,559
Gain on disposal of capital assets			<u>9,852</u>
Total general revenues			<u>3,485,074</u>
Change in net position			746,270
Net position, beginning of year			<u>4,183,577</u>
Net position, end of year			<u>\$ 4,929,847</u>

The accompanying notes are an integral part of this statement

ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
BALANCE SHEET - GOVERNMENTAL FUND
DECEMBER 31, 2022

ASSETS

Cash and cash equivalents	\$	2,084,027
Investments		2,865,895
Receivables		1,127,002
Prepaid expenses		<u>140,447</u>
 Total assets	 \$	 <u><u>6,217,371</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES:

Accounts payable	\$	78,773
Accrued expenses		11,544
Unearned revenue		<u>1,458,701</u>
 Total liabilities		 <u>1,549,018</u>

FUND BALANCE:

Nonspendable		140,447
Committed for:		
Emergency operations		1,078,734
Unassigned		<u>3,449,172</u>
 Total fund balance		 <u>4,668,353</u>
 Total liabilities and fund balance	 \$	 <u><u>6,217,371</u></u>

The accompanying notes are an integral part of this statement

ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2022

Fund balance - total governmental fund	\$	4,668,353
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental fund:

Governmental capital assets	\$	1,132,418	
Less: accumulated depreciation		<u>(828,715)</u>	
Capital assets, net of depreciation			303,703

Compensated absences		<u>(42,209)</u>
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Total net position - governmental activities	\$	<u><u>4,929,847</u></u>
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ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

REVENUES:

Sales taxes:	
Local collections	\$ 2,389,336
State appropriation	699,237
Grant revenue	1,575
Louisiana DCRT CAP Program	20,000
Miscellaneous income	272,090
Interest income	94,559
Gain on disposal of capital assets	<u>16,600</u>
 Total revenues	 <u>3,493,397</u>

EXPENDITURES:

Tourism	
Personnel	
Salaries, payroll taxes, and fringe benefits	922,946
Marketing and promotion	
Advertising	593,697
Advertising - website	119,211
Automobile expense	9,227
Brochures	198,057
Dues and subscriptions	76,307
International marketing	41,344
Postage and shipping	8,661
Research and development	148,701
Special promotions	99,988
Telephone	18,225
Trade shows	36,161
Training	35,893
Travel	129,973
Uniforms	288
General and administrative	
Automobile expense	4,981
Equipment rental	7,699
Insurance	54,853
Office supplies	31,467
Official notice publication	2,643
Professional fees	33,608
Rent	7,832
Repairs and maintenance	92,083
Utilities	15,632
Capital outlay	<u>40,377</u>
 Total expenditures	 <u>2,729,854</u>
 Net change in fund balance	 763,543
 Fund balance - beginning	 <u>3,904,810</u>
 Fund balance - ending	 <u>\$ 4,668,353</u>

The accompanying notes are an integral part of this statement

ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

Net change in fund balance - total governmental fund \$ 763,543

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

The governmental fund reports 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. This is the amount by which capital outlays exceeded depreciation expense in the current period.

Capital outlay	\$	40,377	
Depreciation expense		<u>(42,283)</u>	(1,906)

The net effect of various miscellaneous transaction involving capital assets (i.e. sales, trade-ins, and donations) is to increase net position:

Gain on disposal of capital assets			(6,748)
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Some expenses report in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental fund:

Changes in compensated absences			<u>(8,619)</u>
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Change in net position of governmental activities	\$	<u>746,270</u>	
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ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The mission of St. Tammany Parish Tourist and Convention Commission (the Commission) is to promote and develop tourism within St. Tammany Parish (the Parish). The Commission operates one tourist information center within the Parish and employs a staff of approximately 13 employees who coordinate advertisements and promotion of tourism for the Parish. The Commission's significant accounting policies are described below.

Reporting Entity

The Commission was created in 1976, by Ordinance 674 of St. Tammany Parish (the Parish). The Commission was re-established as a separate political body under the provisions of Act 47 of the 1995 regular sessions of the Louisiana Legislature. The Commission is governed by a Board of Commissioners that is appointed by the Parish. The Commission consists of seven commissioners. Six of the members serve terms of three years with the seventh commissioner serving a term of one year to be alternately appointed from the eastern and western corridors of the Parish.

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

GASB Statement No. 14, *The Financial Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this statement, the Commission is not considered a component unit of St. Tammany Parish nor does the Commission have any component units.

Basic Financial Statements - Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Commission. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The government-wide financial statements are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Commission's net position is reported in two parts: net investment in capital assets and unrestricted net position.

ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2022

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basic Financial Statements - Government-Wide Financial Statements (continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are 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. Interest earnings and other items not properly included among program revenues are reported instead as general revenues.

Basic Financial Statements – Fund Financial Statements

The Commission uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain commission functions and activities. A fund is a separate fiscal and accounting entity with a self-balancing set of accounts. The emphasis on fund financial statements is on the major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity or the total assets, liabilities, revenues, or expenditures of the individual governmental fund is at least 10 percent of the corresponding total for all governmental funds.

The General Fund is the primary operating and sole fund of the Commission. It accounts for all the financial transactions and is classified as a governmental fund type. The focus of the governmental fund's measurement is upon the determination of financial position and changes in financial position rather than upon net income.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The governmental activities in 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period, or soon enough thereafter to pay liabilities of the current period.

For this purpose, the Commission considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, compensated absences are recorded when paid.

ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2022

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Sales tax revenues are collected by the St. Tammany Parish Sheriff and are remitted to the Commission monthly. Taxes are remitted in the month following collection and are considered measurable at the month of collection. Accordingly, sales taxes collected in December 2022 and remitted in January 2023, have been reported as a receivable.

Each state fiscal year, the Louisiana Legislature has the authority to appropriate funds from state sales tax collections to be distributed to tourist and convention commissions throughout the State to be used for tourism development, including support for historic preservation and arts and humanities. The amount appropriated by the State is limited to state sales taxes on hotels and motels within St. Tammany Parish. The amounts appropriated by the State have been recorded in these financial statements. Payments are made quarterly.

Unearned revenues are a liability that represents amounts received, but not yet earned.

Budgets and Budgetary Accounting

The Commission has adopted a budget for its General Fund. The budgetary practices include notice of the proposed budget, public inspection of the proposed budget, and public hearings on the budget prior to adoption. Any amendment involving increases in expenditures must be approved by the Commission. Budgeted amounts in the accompanying financial statements include all amendments. All budgeted amounts, which are not expended or obligated through contracts, lapse at year-end. The Commission's budget is materially consistent with accounting principles generally accepted in the United States of America.

Cash and Cash Equivalents

Cash includes amounts in demand deposits. Under state law, the Commission may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. The Commission may invest in United States bonds, treasury notes, or certificates. 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.

Cash and cash equivalents consist of cash, as defined above.

Investments, as required by GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, are reported at fair value.

ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2022

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

At December 31, 2022, the Commission had investments of \$2,865,895, which are invested in Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section I50.126, the investment in LAMP is not categorized in the three risk categories provided by GASB Codification Section I50.125 because the investment is in a pool of funds and, therefore, not evidenced by securities that exist in physical or book-entry form.

LAMP is administered by Louisiana Asset Management Pool, Inc. (LAMP, Inc.), a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments.

The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with Louisiana Revised Statute 33:2955.

GASB Statement No. 40, Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk for all public entity investments.

LAMP is an investment pool that, to the extent practical, invests in a manner consistent with GASB Statement No. 79. The following facts are relevant for money market-like investment pools:

Credit risk: LAMP is rated AAA by Standard & Poor's.

Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

Concentration of credit risk: Pooled investments are excluded from the 5% disclosure requirement.

Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days. The WAM for LAMP's total investments was 58 as of December 31, 2021.

Foreign currency risk: Not applicable to money market-like pools.

ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2022

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments (continued)

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares. LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the Securities and Exchange Commission as an investment company. If you have any questions, please feel free to contact the LAMP administrative office at 800-249-5267.

Receivables

The Commission closely monitors outstanding accounts receivable balances and writes off to expense any balances that are determined to be uncollectible. At December 31, 2022, the Commission considered all remaining accounts receivable balances to be fully collectible. Accordingly, there was no allowance for doubtful accounts.

Capital Assets

Capital assets, which include building, improvements, furniture and fixtures, computers, and other assets, are reported in the government-wide financial statements. Capital assets are recorded at historical cost, or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Depreciation of all exhaustible capital assets is charged as an expense against the Commission's operations. In the fund financial statements, capital assets are accounted for as capital outlay expenditures upon acquisition.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, if applicable. All capital assets are depreciated using the straight-line method over the following useful lives:

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Buildings and improvements	10 - 30 Years
Furniture and fixtures	7 Years
Computers and software	5 - 12 Years
Other	5 - 12 Years

ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2022

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

Employees accrue vacation leave at the rate of 5 to 30 days per anniversary year, according to years of service with the Commission. Employees may carry over a maximum of 10 unused vacation days after their anniversary date into the next year. Employees accrue sick leave at the rate of twelve days per anniversary year. Upon termination of employment, employees are paid any unused vacation leave, but any remaining sick leave is forfeited. At December 31, 2022, the Commission had accrued compensated absences payable of \$42,209, which has been reported on the statement of net position. Accrued compensated absences payable increased by \$8,619 during the year ended December 31, 2022.

Long-Term Debt

The accounting treatment of long-term debt depends on whether it is reported in the government-wide or fund financial statements.

Government-wide financial statements – All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide financial statements.

Fund financial statements – long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest are reported as expenditures.

Currently, the Commission does not have any items that qualify for reporting in this category.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the Commission does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position or fund balance that applies to future periods and so will not be recognized as an inflow of resources (revenue) until then. Currently, the Commission has one item that qualifies for reporting in this category, receipt of ad valorem taxes more than 60 days after year end.

ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2022

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity Classifications

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

- a. Net investment in capital assets - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

Governmental fund equity is classified as fund balance. In the governmental fund financial statements, fund balances are classified as follows:

- a. Nonspendable – amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of state, local or federal awards or externally imposed conditions by grantors or creditors.
- c. Committed – amounts that can be used for specific purposes determined by formal action by an ordinance or resolution.
- d. Assigned – amounts that are designated by the formal action of the government's highest level of decision making authority.
- e. Unassigned – amounts not included in other classifications.

When both restricted and unrestricted fund balances are available for use, it is the Commission's policy to use restricted resources first, then unrestricted as needed. When committed, assigned or unassigned fund balances are available for use it is the Commission's policy to use committed resources first, then assigned resources and unassigned resources as they are needed.

ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2022

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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 reported amounts of revenues, expenditures and expenses during the reporting period. Actual results could differ from those estimates.

New Accounting Pronouncements - Adopted

The GASB has issued Statement No. 87, “Leases.” The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The adoption of this standard did not have a material impact to the financial statements.

Date of Management’s Review

Subsequent events have been evaluated through June 28, 2023, which is the date the financial statements were available to be issued.

(2) CASH AND CASH EQUIVALENTS

The following is a summary of cash and cash equivalents at December 31, 2022:

Demand deposits	<u>\$ 2,084,027</u>
-----------------	---------------------

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 bank. 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.

ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2022

(2) CASH AND CASH EQUIVALENTS (CONTINUED)

Custodial credit risk is the risk that, in the event of a financial institution failure, the Commission's deposits may not be recovered. At year-end, the carrying amount of the Commission's bank balance was \$2,171,815. Of the bank balance, \$250,000 was covered by federal deposit insurance. At December 31, 2022, bank deposits in the amount of \$1,921,815 were secured by pledged collateral.

There are three categories of deposits:

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

Category 2 includes deposits covered by collateral held by the pledging financial institution's trust department, or its agent in the Commission'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 Commission's name, and deposits which are uninsured or uncollateralized.

At December 31, 2022, 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	\$ 250,000	\$ 1,921,815	\$ -	\$ 2,171,815

(3) RECEIVABLES

Receivables as of December 31, 2022 consisted of the collected monies due from:

Taxes:	
St. Tammany Parish Sheriff's Office	\$ 165,334
State of Louisiana	933,594
Other	28,074
Total receivables	\$ 1,127,002

ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2022

(4) CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2022 is as follows:

Governmental Activities	Balance 12/31/21	Increases	Decreases	Balance 12/31/22
Capital Assets Being Depreciated				
Buildings and improvements	\$ 892,956	\$ 34,340	\$ (4,898)	\$ 922,398
Furniture and fixtures	29,742	-	(4,202)	25,540
Computers and software	144,550	4,842	(24,327)	125,065
Other	<u>82,419</u>	<u>1,196</u>	<u>(24,200)</u>	<u>59,415</u>
Total Capital Assets Being Depreciated	1,149,667	40,378	(57,627)	1,132,418
Less: Accumulated Depreciation for:				
Buildings and improvements	(637,317)	(29,462)	3,151	(663,628)
Furniture and fixtures	(28,382)	(365)	4,200	(24,547)
Computers and software	(106,279)	(11,672)	24,327	(93,624)
Other	<u>(65,332)</u>	<u>(784)</u>	<u>19,200</u>	<u>(46,916)</u>
Total Accumulated Depreciation	<u>(837,310)</u>	<u>(42,283)</u>	<u>50,878</u>	<u>(828,715)</u>
Total Capital Assets Being Depreciated, Net	<u>\$ 312,357</u>	<u>\$ (1,905)</u>	<u>\$ (6,749)</u>	<u>\$ 303,703</u>

Depreciation expense of \$42,283 for the year ended December 31, 2022.

(5) ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities at December 31, 2022 consists of the following:

Trade payables	\$ 74,327
Credit card payable	<u>4,446</u>
Total accounts payable	<u>\$ 78,773</u>

(6) UNEARNED REVENUE

Unearned revenue at December 31, 2022 consists of the following:

State appropriation	\$ 466,793
American Rescue Plan Act	<u>991,908</u>
Total unearned revenue	<u>\$ 1,458,701</u>

ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2022

(7) DEFERRED COMPENSATION PLAN

Certain employees of the Commission participate in the Louisiana Public Employees' Deferred Compensation Plan (the Plan) adopted under the provisions of Internal Revenue Code Section 457. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

(8) CONTINGENT LIABILITIES

The Commission is contingently liable to St. Tammany Parish for the acreage transferred to the Commission in a prior year, in the event that the Commission no longer has a need to utilize this land donated by the Parish. The Commission has agreed to give the Parish the first right to buy the property. In the event the Parish does not exercise its first right to buy the property, then, upon subsequent sale of the property, the Commission must reimburse the Parish an amount of money equal to the fair market value of the land at the time of sale, less improvements, based upon an appraisal to be determined by two independently chosen appraisers.

(9) LITIGATION AND CLAIMS / RISK MANAGEMENT

The Commission is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Commission attempts to minimize risk from significant losses through the purchase of commercial insurance.

(10) NEW ACCOUNTING PRONOUNCEMENTS

The GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. The Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements for government end users. The Statement is effective for fiscal years beginning after June 15, 2022.

The GASB has released Statement No. 101, *Compensated Absences (Statement 101)*, which replaces GASB Statement No. 16, *Accounting for Compensated Absences*. The Statement 101 requires liabilities for compensated absences to be recognized for: Leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means. Under the new Statement a liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered; (b) the leave has accumulated; and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits is not included in the compensated absences liability. The Statement also addresses the timing of the recognition of a liability for certain types of compensated absences, such as sabbatical leave, parental leave, military leave, jury duty leave and other specific types of compensated balances. The Statement is effective for fiscal years beginning after December 15, 2023.

REQUIRED SUPPLEMENTARY INFORMATION (PART II)

ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GOVERNMENTAL FUND - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)
<u>RECEIPTS:</u>				
Sales taxes:				
Local collections	\$ 1,588,000	\$ 2,220,000	\$ 2,389,336	\$ 169,336
State appropriation	464,875	914,875	699,237	(215,638)
Grant revenue	-	1,500	1,575	75
Louisiana DCRT CAP Program	20,000	20,000	20,000	-
Miscellaneous income	175,000	210,000	272,090	62,090
Interest income	1,500	80,000	94,559	14,559
Gain on disposal of capital assets	-	-	16,600	16,600
	<u>2,249,375</u>	<u>3,446,375</u>	<u>3,493,397</u>	<u>47,022</u>
Total receipts	<u>2,249,375</u>	<u>3,446,375</u>	<u>3,493,397</u>	<u>47,022</u>
<u>DISBURSEMENTS:</u>				
Tourism				
Personnel				
Salaries, payroll taxes, and fringe benefits	885,900	885,900	922,946	(37,046)
Marketing and promotion				
Advertising	492,000	565,000	593,697	(28,697)
Advertising - website	96,000	120,000	119,211	789
Automobile expense	13,000	13,000	9,227	3,773
Brochures	245,000	225,000	198,057	26,943
Dues and subscriptions	58,000	75,000	76,307	(1,307)
International marketing	45,000	45,000	41,344	3,656
Postage and shipping	17,000	12,000	8,661	3,339
Research and development	165,000	165,000	148,701	16,299
Special promotions	100,000	125,000	99,988	25,012
Telephone	20,000	20,000	18,225	1,775
Trade shows	38,000	38,000	36,161	1,839
Training	15,000	25,000	35,893	(10,893)
Travel	75,000	90,000	129,973	(39,973)
Uniforms	150	300	288	12
General and administrative				
Automobile expense	4,500	4,500	4,981	10,000
Equipment rental	8,000	8,000	7,699	301
Insurance	66,000	66,000	54,853	11,147
Office supplies	22,000	30,000	31,467	(1,467)
Official notice publication	2,500	2,500	2,643	(143)
Professional fees	35,000	35,000	33,608	1,392
Rent	13,500	7,000	7,832	(832)
Repairs and maintenance	32,000	45,000	92,083	(47,083)
Utilities	12,000	12,000	15,632	(3,632)
Capital outlay	<u>50,000</u>	<u>40,000</u>	<u>40,377</u>	<u>(377)</u>
Total disbursements	<u>2,510,550</u>	<u>2,654,200</u>	<u>2,729,854</u>	<u>(65,173)</u>
Excess of receipts over disbursements	<u>(261,175)</u>	<u>792,175</u>	<u>763,543</u>	<u>(28,632)</u>
Fund balance - beginning	<u>3,904,810</u>	<u>3,904,810</u>	<u>3,904,810</u>	<u>-</u>
Fund balance - ending	<u>\$ 3,643,635</u>	<u>\$ 4,696,985</u>	<u>\$ 4,668,353</u>	<u>\$ (28,632)</u>

See Independent Auditors' Report

OTHER SUPPLEMENTARY INFORMATION

ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
SCHEDULE OF GOVERNING BOARD
FOR THE YEAR ENDED DECEMBER 31, 2022

<u>Board of Commissioners</u>	<u>Term of Office</u>	<u>Compensation</u>
Alex Carollo 503 Pinecrest Ct, Slidell, LA 70458	December 31, 2024	\$ -
Katherine Diemont 139 Egret Street Covington, LA 70433	December 31, 2022	-
Patti Elish 127 Tchefuncte South Drive Covington, LA 70433	December 31, 2024	-
Mark Myers 84 Chamale Cove Slidell, LA 70460	December 31, 2022	-
Marlaine Peachey 8 Jennifer Court Mandeville, LA 70448	December 31, 2023	-
Melissa Ruddick 30294 St. John Drive Lacombe, LA 70445	December 31, 2024	-
Thomas J. (T.J.) Smith, Jr. 62390 John Smith Road Pearl River, LA 70452	December 31, 2023	-
		<u>\$ -</u>

ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
SCHEDULE OF COMPENSATION, BENEFITS, AND
OTHER PAYMENTS TO AGENCY HEAD
FOR THE YEAR ENDED DECEMBER 31, 2022

		<u>Donna O'Daniels, President/CEO</u>
Wages	\$	140,895
Benefits - insurance		16,019
Benefits - retirement		13,921
Car allowance		6,000
Reimbursements		1,098
Other travel and meals		1,534
Registration fees		4,898
Trade shows and conventions		5,175
Continuing professional education fees		5,040
Cell phone, computer, email, and internet access		<u>4,405</u>
 Total compensation, benefits, and other payments	 \$	 <u><u>198,985</u></u>

**OTHER REPORT 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 Commissioners
St Tammany Parish Tourist and Convention Commission
Mandeville, 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 and the major fund of St. Tammany Parish Tourist and Convention Commission, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the St. Tammany Parish Tourist and Convention Commission's basic financial statements, and have issued our report thereon dated June 28, 2023.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered St. Tammany Parish Tourist and Convention Commission'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 St. Tammany Parish Tourist and Convention Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of St. Tammany Parish Tourist and Convention Commission'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 St. Tammany Parish Tourist and Convention Commission'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 not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



To the Board of Commissioners
St Tammany Parish Tourist and Convention Commission
June 28, 2023

Compliance and Other Matters

As part of obtaining reasonable assurance about whether St. Tammany Parish Tourist and Convention Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of 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.

June 28, 2023
Mandeville, Louisiana

Erickson Krentel, LLP
Certified Public Accountants

ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2022

SECTION I SUMMARY OF AUDIT RESULTS

1. The independent auditors' report expresses an unmodified opinion on the financial statements of St. Tammany Parish Tourist and Convention Commission.
2. No significant deficiencies or material weaknesses disclosed during the audit of the financial statements 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. No instances of noncompliance material to the financial statements of St. Tammany Parish Tourist and Convention Commission, which would be required to be reported in accordance with *Government Auditing Standards*, was disclosed during the audit.
4. A management letter was not issued for the year ended December 31, 2022.

SECTION II FINANCIAL STATEMENT FINDINGS

There were no findings related to the financial statements for the year ended December 31, 2022.

ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2022

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

2021-001 - Inadequate Collateralization of Bank Deposits

This finding has been resolved as of December 31, 2022.

SECTION II MANAGEMENT LETTER

There was no management letter for the year ended December 31, 2021.

LOUISIANA LEGISLATIVE AUDITOR
STATEWIDE AGREED-UPON PROCEDURES
ST. TAMMANY PARISH
TOURIST AND CONVENTION COMMISSION
JANUARY 1, 2022 TO DECEMBER 31, 2022



ERICKSEN KRENTEL^{LLP}
CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS



INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners
St. Tammany Parish Tourist and Convention Commission

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2022 through December 31, 2022. St. Tammany Parish Tourist and Convention Commission's management is responsible for those C/C areas identified in the SAUPs.

St. Tammany Parish Tourist and Convention Commission has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2022 through December 31, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are attached in Schedule "1."

We were engaged by St. Tammany Parish Tourist and Convention Commission to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of St. Tammany Parish Tourist and Convention Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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

June 28, 2023
Mandeville, Louisiana


Certified Public Accountants

ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
STATEWIDE AGREED-UPON PROCEDURES
JANUARY 1, 2022 TO DECEMBER 31, 2022

WRITTEN POLICIES AND PROCEDURES

- 1) **Procedure:** Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving.
 - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
 - f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
 - g) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
 - h) **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
 - i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
 - j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

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STATEWIDE AGREED-UPON PROCEDURES (CONTINUED)
JANUARY 1, 2022 TO DECEMBER 31, 2022

WRITTEN POLICIES AND PROCEDURES (CONTINUED)

- k) ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) ***Prevention of Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Results: No exceptions were found as a result of applying the procedure.

BOARD OR FINANCE COMMITTEE

- 2) **Procedure:** 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 whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.
 - 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.
 - d) Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Results: No exceptions were found as a result of applying the procedure.

ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
STATEWIDE AGREED-UPON PROCEDURES (CONTINUED)
JANUARY 1, 2022 TO DECEMBER 31, 2022

BANK RECONCILIATIONS

- 3) **Procedure:** Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain, and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - b) Bank reconciliations include written 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 it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Results: No exceptions were found as a result of applying the procedures.

COLLECTIONS (EXCLUDING ELECTRONIC FUNDS TRANSFERS)

- 4) **Procedure:** 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) **Procedure:** For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
- a) Employees responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and

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COLLECTIONS (EXCLUDING ELECTRONIC FUNDS TRANSFER) (CONTINUED)

- 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, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
- 6) **Procedure:** Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.
- 7) **Procedure:** Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3 (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:
- a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
 - e) Trace the actual deposit per the bank statement to the general ledger.

Results: No exceptions were found as a result of applying the procedures.

NON-PAYROLL DISBURSEMENTS (EXCLUDING CARD PURCHASES, TRAVEL REIMBURSEMENTS, AND PETTY CASH PURCHASES)

- 8) **Procedure:** Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5):

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STATEWIDE AGREED-UPON PROCEDURES (CONTINUED)
JANUARY 1, 2022 TO DECEMBER 31, 2022

NON-PAYROLL DISBURSEMENTS (EXCLUDING CARD PURCHASES, TRAVEL REIMBURSEMENTS, AND PETTY CASH PURCHASES) (CONTINUED)

- 9) **Procedure:** For each location selected under procedure #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that:
- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
 - e) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.
- 10) **Procedure:** For each location selected under procedure #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 whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
 - b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #9 above, as applicable
- 11) **Procedure:** Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

Results: No exceptions were found as a result of applying the procedures.

ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
STATEWIDE AGREED-UPON PROCEDURES (CONTINUED)
JANUARY 1, 2022 TO DECEMBER 31, 2022

CREDIT CARDS/DEBIT CARDS/FUEL CARDS/PURCHASE CARDS (CARDS)

- 12) **Procedure:** Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- 13) **Procedure:** Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and:
- a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
 - b) Observe that finance charges and late fees were not assessed on the selected statements.
- 14) **Procedure:** Using the monthly statements or combined statements selected under procedure #13 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Results: No exceptions were found as a result of applying the procedures.

TRAVEL AND TRAVEL-RELATED EXPENSE REIMBURSEMENTS (EXCLUDING CARD TRANSACTIONS)

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

ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
STATEWIDE AGREED-UPON PROCEDURES (CONTINUED)
JANUARY 1, 2022 TO DECEMBER 31, 2022

TRAVEL AND TRAVEL-RELATED EXPENSE REIMBURSEMENTS (EXCLUDING CARD TRANSACTIONS) (CONTINUED)

- 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 Policies and Procedures procedure #1g; and
- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: No exceptions were found as a result of applying the procedure.

CONTRACTS

16) **Procedure:** Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;
- b) Observe whether 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 and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and
- 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: No exceptions were found as a result of applying the procedure.

PAYROLL AND PERSONNEL

17) **Procedure:** Obtain a listing of employees and officials employed during the fiscal period, and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
STATEWIDE AGREED-UPON PROCEDURES (CONTINUED)
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PAYROLL AND PERSONNEL (CONTINUED)

- 18) **Procedure:** Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #17 above, obtain attendance records and leave documentation for the pay period, and:
- a) Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - b) Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
 - d) Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- 19) **Procedure:** Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.
- 20) **Procedure:** Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Results: No exceptions were found as a result of applying the procedures.

ETHICS

- 21) **Procedure:** Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #17 obtain ethics documentation from management, and
- a) Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
 - b) Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
 - c) Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Results: No exceptions were found as a result of applying the procedures.

ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION
STATEWIDE AGREED-UPON PROCEDURES (CONTINUED)
JANUARY 1, 2022 TO DECEMBER 31, 2022

DEBT SERVICE

22) **Procedure:** Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

23) **Procedure:** Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Results: Not applicable. The entity does not issue debt during the fiscal period or have any outstanding debt.

FRAUD

24) **Procedure:** Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

25) **Procedure:** 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: No exceptions were found as a result of applying the procedures.

INFORMATION TECHNOLOGY/DISASTER RECOVERY/ BUSINESS CONTINUITY

26) **Procedure:** Perform the following procedures:

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

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STATEWIDE AGREED-UPON PROCEDURES (CONTINUED)
JANUARY 1, 2022 TO DECEMBER 31, 2022

**INFORMATION TECHNOLOGY/DISASTER RECOVERY/ BUSINESS CONTINUITY
(CONTINUED)**

- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- d) Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #19. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Results: We performed the procedure and discussed the results with management.

PREVENTION OF SEXUAL HARASSMENT

- 27) **Procedure:** Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #17, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- 28) **Procedure:** Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
- 29) **Procedure:** Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
 - a) Number and percentage of public servants in the agency who have completed the training requirements;
 - b) Number of sexual harassment complaints received by the agency;
 - c) Number of complaints which resulted in a finding that sexual harassment occurred;
 - d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - e) Amount of time it took to resolve each complaint.

Results: No exceptions were found as a result of applying the procedures.