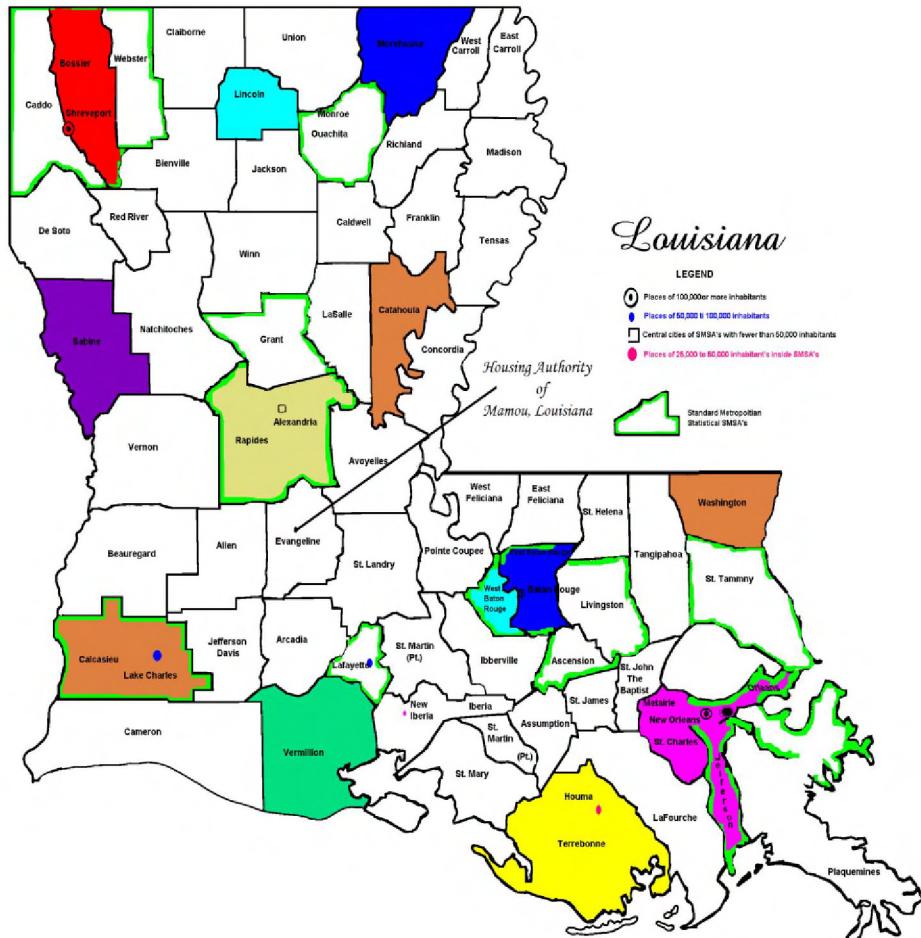


**HOUSING AUTHORITY  
OF THE  
TOWN OF MAMOU, LOUISIANA**

**Financial Statements &  
Supplemental Financial Information  
June 30, 2023**

# HOUSING AUTHORITY OF THE TOWN OF MAMOU MAMOU, LOUISIANA



Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low-income housing programs in the United States. Accordingly, HUD has contracted with the entity to administer certain HUD funds. The entity is a public corporation, legally separate, fiscally independent and governed by the Board of Commissioners.

**Housing Authority of the Town of Mamou  
Mamou, Louisiana**

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June 30, 2023**

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## INDEPENDENT AUDITOR'S REPORT

Housing Authority of the Town of Mamou  
Mamou, Louisiana

### Opinions

We have audited the accompanying financial statements of the business-type activities of the Housing Authority of the Town of Mamou, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the housing authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Housing Authority of the Town of Mamou, as of June 30, 2023, and the respective changes in financial position, and cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the 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 Housing Authority of the Town of Mamou and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Responsibilities of Management for the Financial Statements

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

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 Housing Authority of the Town

of Mamou'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 judgement 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 judgement 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 Housing Authority of the Town of Mamou internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Housing Authority of the Town of Mamou'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 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.

## **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of the Town of Mamou's basic financial statements. The accompanying Financial Data Schedule (FDS) (required by HUD), Schedule of Compensation, Benefits, & Other Payments to Agency Head or Chief Executive Officer, the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the supplemental schedules and statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Financial Data Schedule, Schedule of Compensation, Benefits, & Other Payments to Agency Head or Chief Executive Officer, the schedule of expenditures of federal awards and the supplemental schedules and statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2023, on our consideration of the Housing Authority of the Town of Mamou'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 Housing Authority of the Town of Mamou's internal control over financial reporting and compliance.

## **Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Louisiana Legislative Auditor, we have issued a report dated December 19, 2023, on the results of our statewide agreed-upon procedures performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in Government Auditing Standards. The purpose of that report is solely to describe the scope of testing performed on those controls and compliance

areas identified in the Louisiana Legislative Auditor's statewide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.

*The Vercher Group*

Jena, Louisiana

December 19, 2023

**Housing Authority of the Town of Mamou  
Mamou, Louisiana**

**Management's Discussion and Analysis  
June 30, 2023**

---

As management of the Housing Authority of the Town of Mamou, we offer readers of the Authority's basic financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with the Authority's basic financial statements, which are attached.

**Financial Highlights**

- The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$3,541,137 (net position).
- As of the close of the current fiscal year, the Authority's ending unrestricted net position was \$333,051.
- The Authority's cash balance at June 30, 2023, was \$238,172, of which \$23,115 was restricted for tenant's security deposits. The Authority's investments totaled \$126,443.
- The Authority had total revenue of \$1,329,874, of which \$905,579 was operating revenues, \$36,368 was non-operating revenues, and \$387,927 was capital contributions.
- The Authority had total expenses of \$1,055,462, of which \$1,029,155 was operating expenses and \$26,307 was non-operating expenses.

**Overview of the Basic Financial Statements**

The discussion and analysis are intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements consist of the Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, Statement of Cash Flows, and the notes to the basic financial statements.

The Authority has only one fund type, namely a proprietary fund. The Statement of Net Position includes all of the Authority's assets and liabilities. This fund type is unused for activities which are financed and operated in a manner similar to those in the private sector.

The Authority has three main funding sources in its financial operation. These are the Low Rent Public Housing, Capital Fund programs, and Section 8 Vouchers. Funding is provided based on dwelling rents paid by the tenants and operating fund payments received by the Department of Housing & Urban Development based on a formula. The purpose of this program is to provide funding for low rent housing programs to allow them to make purchases and capital improvements for the current dwelling structures and assist in their operations.

**Housing Authority of the Town of Mamou**  
**Management's Discussion and Analysis - Continued**  
**June 30, 2023**

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The Authority's overall financial position and operations for the past two years are summarized below based on the information in the current and prior financial statements.

The table below lists the asset and liability comparisons for the year ended June 30, 2023.

**Statement of Net Position**

	<b>2022</b>	<b>2023</b>	<b>% Change</b>
Current & Restricted Assets	\$ 358,788	\$ 451,851	25.9
Capital Assets, Net of Depreciation	3,013,449	3,208,086	6.5
<b>Total Assets</b>	<b><u>3,372,237</u></b>	<b><u>3,659,937</u></b>	<b>8.5</b>
Current Liabilities	80,781	100,539	24.5
Non-Current Liabilities	24,731	18,261	-26.2
<b>Total Liabilities</b>	<b><u>105,512</u></b>	<b><u>118,800</u></b>	<b>12.6</b>
Net Investment in Capital Assets	3,013,449	3,208,086	6.5
Unrestricted Net Position	253,276	333,051	31.5
<b>Total Net Position</b>	<b><u>\$ 3,266,725</u></b>	<b><u>\$ 3,541,137</u></b>	<b>8.4</b>

- Current assets increased by \$93,063 or 25.9% from last year. The primary reason for this increase was due to an increase in cash and cash equivalents in the amount of \$82,580.
- Total liabilities increased by \$13,288 or 12.6%. The primary reason for this change is due to an increase in Tenant Security Deposits in the amount of \$140.
- Unrestricted assets increased by \$79,775 or 31.4%. The increase in current assets is the main contributor for this increase.

**Housing Authority of the Town of Mamou**  
**Management's Discussion and Analysis - Continued**  
**June 30, 2023**

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The table below lists the revenue and expense comparisons for the year ended June 30, 2023.

**Statement of Revenues, Expenses, & Changes in Net Position**

	<b>2022</b>	<b>2023</b>	<b>% Change</b>
<b>Operating Revenues</b>			
Tenant Revenue	\$ 293,154	\$ 311,532	6.3
HUD PHA Operating	<u>550,022</u>	<u>594,047</u>	8.0
<b>Total Operating Revenues</b>	<u>843,176</u>	<u>905,579</u>	7.4
<b>Operating Expenses</b>			
Administrative	193,687	218,004	12.6
Utilities	79,340	79,769	5.4
Maintenance	317,570	320,633	9.6
General	143,155	144,920	1.2
Depreciation	183,763	193,289	5.2
Housing Assistance Payments	<u>83,934</u>	<u>72,540</u>	-13.6
<b>Total Operating Expenses</b>	<u>1,001,449</u>	<u>1,029,155</u>	2.8
<b>Operating Income (Loss)</b>	<u>(158,273)</u>	<u>(123,576)</u>	21.9
<b>Non-Operating Revenues (Expenses)</b>			
Investment Income	210	200	-4.8
Other Revenue	4,632	36,168	680.8
Extraordinary Maintenance	<u>(49,434)</u>	<u>(26,307)</u>	46.8
<b>Total Non-Operating Revenues (Expenses)</b>	<u>(44,592)</u>	<u>10,061</u>	-122.6
Capital Contributions	104,634	387,927	270.8
<b>Change in Net Position</b>	<u>(98,231)</u>	<u>274,412</u>	379.4
<b>Net Position – Beginning</b>	<u>3,364,956</u>	<u>3,266,725</u>	-2.9
<b>Net Position – Ending</b>	<u>\$ 3,266,725</u>	<u>\$ 3,541,137</u>	8.4

- Total operating revenues increased by \$62,403 or 7.4%. The primary reason is because of an increase in Tenant Revenue of \$18,378 or 6.3%.
- Total operating expenses increased by \$27,706 or 2.8%. The primary reason is because of an increase in administrative expenses in the amount of \$24,317 or 12.6%.
- Total non-operating revenues/expenses had a change of \$54,653 or 122.6%. The primary reason for this change is due to an increase in other revenue in the amount of \$31,536.

**Housing Authority of the Town of Mamou  
Management's Discussion and Analysis - Continued  
June 30, 2023**

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**Capital Asset and Debt Administration**

**Capital Assets**

As of June 30, 2023, the Authority's investment in capital assets was \$3,208,086 (net of accumulated depreciation). This investment included land, building, building improvements, office equipment, and maintenance equipment.

<b>Capital Assets</b>	<b>2022</b>	<b>2023</b>
Land*	\$ 393,732	\$ 393,732
Building & Improvements	8,045,870	8,433,796
Furniture & Equipment	224,112	224,112
<b>Total Capital Assets</b>	<b>8,663,714</b>	<b>9,051,640</b>
<b>Less Accumulated Depreciation</b>	<b>(5,650,265)</b>	<b>(5,843,554)</b>
<b>Capital Assets, Net of Accumulated Depreciation</b>	<b>\$ 3,013,449</b>	<b>\$ 3,208,086</b>

\*Land in the amount of \$393,732 is being depreciated.

**Long Term Debt**

The Authority does not have any long-term liabilities at this time.

**Future Events That Will Impact the Authority**

The Authority relies heavily upon HUD operating subsidies. The amount appropriated has not currently been approved for the June 30, 2024, year. Therefore, any results of budget shortfalls cannot be determined.

The Authority is under a contract through its Capital Fund Program to continue with the work as stated above and incorporate any new work items into its operation.

**Contacting the Authority's Financial Management**

The financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the following address:

Housing Authority of the Town of Mamou  
1016 Maple Street  
Mamou, LA. 70554

## **Basic Financial Statements**

**Housing Authority of the Town of Mamou  
Mamou, Louisiana  
Statement of Net Position  
June 30, 2023**

	LOW RENT	HOUSING VOUCHERS	TOTAL ENTERPRISE FUND
<b>ASSETS</b>			
<b>CURRENT ASSETS:</b>			
Cash & Cash Equivalents	\$ 164,056	\$ 51,001	\$ 215,057
Receivables (Net of Allowances for Uncollectible)	3,079	-0-	3,079
Investments	126,443	-0-	126,443
Prepaid Items	83,838	-0-	83,838
Interprogram Receivable	319	-0-	319
<b>RESTRICTED ASSETS:</b>			
Cash and Cash Equivalents	23,115	-0-	23,115
<b>TOTAL CURRENT ASSETS</b>	<u>400,850</u>	<u>51,001</u>	<u>451,851</u>
<b>NON-CURRENT ASSETS:</b>			
Capital Assets (Net of Accumulated Depreciation)	3,208,086	-0-	3,208,086
<b>TOTAL NON-CURRENT ASSETS</b>	<u>3,208,086</u>	<u>-0-</u>	<u>3,208,086</u>
<b>TOTAL ASSETS</b>	<u>3,608,936</u>	<u>51,001</u>	<u>3,659,937</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES:</b>			
Accounts Payable	34,625	150	34,775
Accrued Wages/Payroll Taxes Payable	8,739	-0-	8,739
Accrued Compensated Absences	7,895	-0-	7,895
Tenant Security Deposits (Payable from Restricted Assets)	23,115	-0-	23,115
Interprogram Payable	-0-	319	319
Unearned Revenue	7,524	-0-	7,524
Other Current Liabilities	18,172	-0-	18,172
<b>TOTAL CURRENT LIABILITIES</b>	<u>100,070</u>	<u>469</u>	<u>100,539</u>
<b>NON-CURRENT LIABILITIES:</b>			
Other Non-current	1,165	-0-	1,165
Accrued Compensated Absences	17,096	-0-	17,096
<b>TOTAL NON-CURRENT LIABILITIES</b>	<u>18,261</u>	<u>-0-</u>	<u>18,261</u>
<b>TOTAL LIABILITIES</b>	<u>118,331</u>	<u>469</u>	<u>118,800</u>
<b>NET POSITION:</b>			
Net Investment in Capital Assets	3,208,086	-0-	3,208,086
Unrestricted	282,519	50,532	333,051
<b>TOTAL NET POSITION</b>	<u>3,490,605</u>	<u>50,532</u>	<u>3,541,137</u>

The accompanying notes are an integral part of this statement.

**Housing Authority of the Town of Mamou  
Mamou, Louisiana**  
**Statement of Revenues, Expenses, & Changes in Net Position**  
**Year Ended June 30, 2023**

	LOW RENT	HOUSING VOUCHERS	TOTAL ENTERPRISE FUND
<b>OPERATING REVENUES:</b>			
Tenant Rental Revenue	\$ 311,532	\$ -0-	\$ 311,532
HUD PHA Operating Grant	507,468	86,579	594,047
<b>TOTAL OPERATING REVENUES</b>	<u>819,000</u>	<u>86,579</u>	<u>905,579</u>
<b>OPERATING EXPENSES:</b>			
<i>Administration:</i>			
Administrative Salaries	89,182	14,424	103,606
EBC Administrative	61,538	996	62,534
Other Operating - Administrative	49,924	1,940	51,864
<i>Cost of Sales &amp; Service:</i>			
Water	69,562	-0-	69,562
Electricity	10,207	-0-	10,207
Ordinary Maintenance – Labor	109,177	-0-	109,177
Materials	72,046	-0-	72,046
Contract Cost	67,169	-0-	67,169
EBC Maintenance	72,241	-0-	72,241
Insurance	107,310	-0-	107,310
Other General Expenses	37,610		37,610
<i>Depreciation</i>	193,289	-0-	193,289
Housing Assistance Payments	-0-	72,540	72,540
<b>TOTAL OPERATING EXPENSES</b>	<u>939,255</u>	<u>89,900</u>	<u>1,029,155</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(120,255)</u>	<u>(3,321)</u>	<u>(123,576)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Interest Earnings	133	67	200
Other Revenue	36,168	-0-	36,168
Extraordinary Maintenance	(26,307)	-0-	(26,307)
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<u>9,994</u>	<u>67</u>	<u>10,061</u>
Capital Contributions	387,927	-0-	387,927
<b>CHANGE IN NET POSITION</b>	<u>277,666</u>	<u>(3,254)</u>	<u>274,412</u>
<b>TOTAL NET POSITION – BEGINNING</b>	<u>3,212,939</u>	<u>53,786</u>	<u>3,266,725</u>
<b>TOTAL NET POSITION – ENDING</b>	<u>\$ 3,490,605</u>	<u>\$ 50,532</u>	<u>\$ 3,541,137</u>

The accompanying notes are an integral part of this statement.

**Housing Authority of the Town of Mamou  
Mamou, Louisiana  
Statement of Cash Flows  
Year Ended June 30, 2023**

	LOW RENT	HOUSING VOUCHERS	TOTAL ENTERPRISE FUND
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts From Customers & Users	\$ 312,159	\$ -0-	\$ 312,159
Receipts From Operating Grants	507,468	86,579	594,047
Payments to Suppliers	(527,746)	(75,986)	(603,732)
Payments to Employees	(197,406)	(14,424)	(211,830)
Payments in Lieu of Taxes (PILOT)	(18,172)	-0-	(18,172)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>76,303</u>	<u>(3,831)</u>	<u>72,472</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Other Revenue	<u>36,168</u>	<u>-0-</u>	<u>36,168</u>
<b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	<u>36,168</u>	<u>-0-</u>	<u>36,168</u>
<b>CASH FLOWS FROM CAPITAL &amp; RELATED FINANCING ACTIVITIES</b>			
Subsidy From Capital Grants	387,927	-0-	387,927
Acquisition and Construction of Capital Assets	(387,926)	-0-	(387,926)
Extraordinary Maintenance	(26,307)	-0-	(26,307)
<b>NET CASH PROVIDED (USED) BY CAPITAL &amp; RELATED FINANCING ACTIVITIES</b>	<u>(26,306)</u>	<u>-0-</u>	<u>(26,306)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest & Dividends Received	133	67	200
Increase or Decrease in Investments	<u>186</u>	<u>-0-</u>	<u>186</u>
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<u>319</u>	<u>67</u>	<u>386</u>
<b>NET INCREASE (DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	<b>86,484</b>	<b>(3,764)</b>	<b>82,720</b>
<b>CASH, BEGINNING OF YEAR</b>	<b>100,687</b>	<b>54,765</b>	<b>155,452</b>
<b>CASH, END OF YEAR</b>	<b><u>187,171</u></b>	<b><u>51,001</u></b>	<b><u>238,172</u></b>
<b>RECONCILIATION TO BALANCE SHEET</b>			
Cash and Cash Equivalents	164,056	51,001	215,057
Restricted Cash and Cash Equivalents	23,115	-0-	23,115
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>\$ 187,171</b>	<b>\$ 51,001</b>	<b>\$ 238,172</b>

The accompanying notes are an integral part of this statement.

**Housing Authority of the Town of Mamou  
Mamou, Louisiana  
Statement of Cash Flows  
For The Year Ended June 30, 2023**

**Reconciliation**

	<u>Low Rent</u>	<u>Housing Vouchers</u>	<u>Total Enterprise Fund</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ (120,255)	\$ (3,321)	\$ (123,576)
Depreciation Expense	193,289	-0-	193,289
(Increase) Decrease in Receivables	487	-0-	487
(Increase) Decrease in Prepaid Items	(11,526)	-0-	(11,526)
Increase (Decrease) in Accounts Payable	(4,473)	(510)	(4,983)
Increase (Decrease) in Other Accrued Liabilities	17,688	-0-	17,688
Increase (Decrease) in Customer Deposits	140	-0-	140
Increase (Decrease) in Accrued Wages Payable	4,936	-0-	4,936
Increase (Decrease) in Accrued Compensated Absences	(3,983)	-0-	(3,983)
<b>TOTAL ADJUSTMENTS</b>	<b>196,558</b>	<b>(510)</b>	<b>196,048</b>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>76,303</b>	<b>(3,831)</b>	<b>72,472</b>
<b>LISTING OF NONCASH INVESTING, CAPITAL, &amp; FINANCIAL ACTIVITIES</b>			
Contributions of Capital Assets From Government	\$ -0-	\$ -0-	\$ -0-

The accompanying notes are an integral part of this statement.

**Housing Authority of the Town of Mamou  
Mamou, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**INTRODUCTION**

The Housing Authority of Mamou is an apartment complex for persons of low income located in Mamou, Louisiana. The Authority is chartered as a public corporation for the purpose of administering decent, safe and sanitary dwelling for persons of low-income.

Legal title to the Authority is held by the Housing Authority of the Town of Mamou, Louisiana, a non-profit corporation. The Authority is engaged in the acquisition, modernization, and administration of low-rent housing. The Authority is administered by a governing Board of Commissioners (the Board), whose members are appointed by the Mayor of Mamou, Louisiana. Each member serves a four-year term. Substantially all of the Authority's revenue is derived from subsidy contracts with the U. S. Department of Housing and Urban Development (HUD). The annual contributions contracts entered into by the Authority and HUD provide operating subsidies for Authority-owned public housing facilities for eligible individuals.

Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low-income housing programs in the United States. Accordingly, HUD has entered into a contract with the entity to make annual contributions (subsidies) for the purpose of funding its programs for low-income families.

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the Housing Authority is legally separated and fiscally independent, the Housing Authority is a separate governmental reporting entity. The Housing Authority includes all funds, account groups, activities, etc., that are within the oversight responsibility of the Housing Authority.

The Housing Authority is a related organization of the Town of Mamou because the Town of Mamou appoints a voting majority of the Housing Authority's governing board. The Town of Mamou is not financially responsible for the Housing Authority, as it cannot impose its will on the Housing Authority and there is no possibility for the Housing Authority to provide financial benefit to, or impose financial burdens on, the Town of Mamou. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the Town of Mamou.

**BASIS OF PRESENTATION**

As required by Louisiana State Reporting Law (LSA-R.S. 24:514) and HUD regulations, financial statements are presented in accordance with accounting principles generally accepted in the United States of America.

The accounts of the PHA are accounted for under the proprietary fund. Accordingly, the accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America applied to governmental units.

**Housing Authority of the Town of Mamou  
Mamou, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**  
**JUNE 30, 2023**

**Proprietary Fund Type** – Proprietary fund is accounted for on the flow of economic resources measurements focus and uses the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The PHA applies all applicable FASB pronouncements in accounting and reporting for its proprietary operations. The PHA's funds include the following type:

- **Enterprise Fund** – Enterprise fund is used to account for those operations that are financed and operated in a manner similar to private business or where the board has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

**1. SUMMARY OF ORGANIZATION & SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIC FINANCIAL STATEMENTS**

The basic financial statements (i.e., the Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position) report information on all of the activities of the authority.

**B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, & FINANCIAL STATEMENT PRESENTATION**

The basic financial statements are reported using 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.

As a general rule, the effect of Interfund activity has been eliminated from the basic financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's enterprise operations. Elimination of these charges would distort the direct cost and program revenues reported for the various functions concerned.

Operating revenues and expenses have been reported separately from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. The primary operating revenue of the housing authority is derived from tenant revenue. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the housing authority's policy to use restricted resources first, then unrestricted resources as they are needed.

**Housing Authority of the Town of Mamou  
Mamou, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**  
**JUNE 30, 2023**

GASB Statement No. 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

**C. EQUITY CLASSIFICATIONS**

In the government-wide financial statements, equity is classified as Net Position and displayed in three components as applicable. The components are as follows:

Net Investment in Capital Assets - Capital assets including restricted capital assets, when applicable, net of accumulated depreciation.

Restricted Net Position - Net position with constraints placed on their 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.

Unrestricted Net Position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets".

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies restricted resources first. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expense.

**D. DEPOSITS & INVESTMENTS**

The housing authority's cash, cash equivalents, and cash flow statement are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the housing authority's investment policy allow the housing authority to invest in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

Investments (bank certificate of deposits in excess of 90 days) for the housing authority are reported at fair value.

**E. RECEIVABLES & PAYABLES**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year referred to as either "due to/from other funds" (i.e., the current portion of Interfund loans) or "advances to/from other funds" (i.e., the non-current portion of Interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

**Housing Authority of the Town of Mamou  
Mamou, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**  
**JUNE 30, 2023**

Advances between funds, as reported in the accompanying basic financial statements, are offset by a restriction on net assets. All trade and other receivables are shown net of an allowance for uncollectives.

**F. INVENTORIES & PREPAID ITEMS**

All inventories are valued at cost using the first-in/first out method. Inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the basic financial statements.

**G. CAPITAL ASSETS**

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable columns in the basic financial statements. Capital assets are capitalized at historical cost. The housing maintains a threshold level of \$500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense included during the current fiscal year was \$0. Of this amount, \$0 was included as part of the cost of capital assets under construction in connection with construction projects.

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

<b>Description</b>	<b>Estimated Lives</b>
Land improvements	20 years
Buildings and building improvements	20 years
Furniture and fixtures	5 years
Vehicles	5 years
Equipment	5 years

**H. COMPENSATED ABSENCES**

The Housing Authority follows Louisiana Civil Service regulations for accumulated annual and sick leave. Employees may accumulate up to three hundred hours of annual leave which may be received upon termination or retirement. Sick leave hours accumulate, but the employee is not paid for them if not used by his/her retirement or termination date.

**Housing Authority of the Town of Mamou  
Mamou, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**  
**JUNE 30, 2023**

**I. LONG-TERM OBLIGATIONS**

In the basic financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

**J. EXTRAORDINARY & SPECIAL ITEMS**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the housing authority, which are either unusual in nature or infrequent in occurrence.

**K. 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 the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

**2. CASH & INVESTMENTS (CD'S IN EXCESS OF 90 DAYS)**

At June 30, 2023, the housing authority has cash and investments (bank balances) totaling \$381,580 as follows:

Demand deposits	\$ 232,023
Time deposits	\$ 149,557
<b>Total</b>	<b>\$ 381,580</b>

These deposits are stated at cost, which approximated market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance, or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

**Housing Authority of the Town of Mamou  
Mamou, Louisiana**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**  
**JUNE 30, 2023**

***Custodial Credit Risk***

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance, or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Entity that the fiscal agent bank has failed to pay deposit funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Entity's name.

***Deposits***

It is the housing authority's policy for deposits to be 100% secured by collateral at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The housing authority's deposits are categorized to give an indication of the level of risk assumed by the housing authority at year end. The categories are described as follows:

- ***Category 1*** – Insured or collateralized with securities held by the housing authority or by its agent in the housing authority's name.
- ***Category 2*** – Collateralized with securities held by the pledging financial institution's trust department or agent in the housing authority's name.
- ***Category 3*** – Uncollateralized.

Amounts on deposit are secured by the following pledges:

<b>Description</b>	<b>Investar Bank</b>
FDIC (Category 1)	\$ 250,000
Securities (Category 2)	183,074
<b>Total Securities</b>	<b>\$ 433,074</b>

Deposits were fully secured as of June 30, 2023.

For purposes of the Statement of Net Position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposit of Mamou Housing Authority. For the purpose of the proprietary fund Statement of Cash Flows, "Cash and Cash Equivalents" include all demand savings accounts and certificates of deposit under 90 days.

**Housing Authority of the Town of Mamou  
Mamou, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**  
**JUNE 30, 2023**

**3. ACCOUNTS RECEIVABLE**

The receivables, net of allowances, of \$3,079 as of June 30, 2023, are as follows:

Accounts Receivable – Tenants	\$ 2,664
Accounts Receivable – HUD	485
Accrued Interest Receivable	30
Allowance For Doubtful Accounts	(100)
<b>Total</b>	<b>\$ 3,079</b>

**4. PREPAID ITEMS**

The housing authority's prepaid items as of June 30, 2023, consist of the following:

Prepaid Insurance	\$ 83,838
<b>Total</b>	<b>\$ 83,838</b>

**5. CAPITAL ASSETS**

Capital assets activity for the year ended June 30, 2023, was as follows:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance</b>
Land*	\$ 393,732	\$ -0-	\$ -0-	\$ 393,732
Buildings & Leasehold Improvements	8,045,870	387,926	-0-	8,433,796
Furniture & Equipment, Etc.	224,112	-0-	-0-	224,112
Construction in Progress	-0-	-0-	-0-	-0-
<b>Total</b>	<b>8,663,714</b>	<b>387,926</b>	<b>-0-</b>	<b>9,051,640</b>
Less Accumulated Depreciation	(5,650,265)	(193,289)	-0-	(5,843,554)
<b>Net Capital Position</b>	<b>\$ 3,013,449</b>	<b>\$ 194,637</b>	<b>\$ -0-</b>	<b>\$ 3,208,086</b>

\*Land in the amount of \$393,732 is not being depreciated.

**6. ACCOUNTS, SALARIES & OTHER PAYABLES**

The payables of \$77,424 at June 30, 2023, are as follows:

Accounts Payable	\$ 34,775
Accrued Wages Payable (Payroll Taxes)	9,058
Accrued Compensated Absences (Current Portion)	7,895
Accrued Pilot	7,524
Other Current Liabilities	18,172
<b>Total</b>	<b>\$ 77,424</b>

**Housing Authority of the Town of Mamou  
Mamou, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**  
**JUNE 30, 2023**

**7. COMPENSATED ABSENCES**

At June 30, 2023, employees of the PHA have accumulated and vested \$24,991 of employee leave benefits, computed in accordance with GASB Codification Section C60. The balance of accrued compensated absences at June 30, 2023, was \$7,895 recorded as current obligation and \$17,096 recorded as non-current obligation. The following is a summary of changes in compensated absences payable at June 30, 2023:

	<b>Current</b>	<b>Noncurrent</b>	<b>Total</b>
Beginning of year	\$ 5,892	\$ 23,082	\$ 28,974
Additions/Retirements	2,003	(5,986)	(3,983)
<b>End of year</b>	<b>\$ 7,895</b>	<b>\$ 17,096</b>	<b>\$ 24,991</b>

**8. RETIREMENT SYSTEMS**

The housing authority provides benefits for all full-time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Employees are eligible to participate after a six-month exclusionary period. The entity contributes 8% of the employee's base monthly salary, and the employee contributes 5%. The housing authority's contributions for each employee (and interest allocated to the employee account) vest at 20% annually for each year of participation. An employee is fully vested after 5 years of participation.

The housing authority's total payroll for the fiscal year ending June 30, 2023, was \$205,268. The housing authority's contributions were calculated using the base salary amount of \$184,742. Contributions to the plan by the housing authority were \$14,779 and \$9,237 by the employees.

**9. CONTINGENT LIABILITIES**

At June 30, 2023, the housing authority is subject to possible examinations made by federal regulators who determine compliance with terms, conditions, laws and regulations governing grants given to the housing authority in the current and prior years. These examinations may result in required refunds by the housing authority to federal grantors and/or program beneficiaries.

**10. ECONOMIC DEPENDENCY**

Statement of Financial Accounting Standard (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenues. The Department of Housing & Urban Development provided \$981,974 to the housing authority, which represents approximately 73.8% of the housing authority's revenue for the year.

**Housing Authority of the Town of Mamou  
Mamou, Louisiana**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)**  
**JUNE 30, 2023**

**11. SUBSEQUENT EVENTS**

Management has evaluated events and transactions subsequent to the Statement of Net Position date though, December 19, 2023, of the independent auditor's report for potential recognition or disclosure in the financial statements.

**Other Supplemental Statements  
and Schedules**

**Housing Authority of the Town of Mamou  
Mamou, Louisiana**

**Schedule of Compensation Paid to Board Members  
Year Ended June 30, 2023**

<b>Board Member</b>	<b>Title</b>
Derrell Perron	Chairman of the Board
Marshetta Reed	Vice-Chairman
Ted Lavergen	Board Commissioner
Louis Gadney	Board Commissioner
Alfred Batiste	Board Commissioner

The Board Members were paid no compensation for their services.

**Housing Authority of the Town of Mamou  
Mamou, Louisiana**

**Schedule of Compensation Benefits and Other Payments  
to Agency Head or Chief Executive Officer  
For the Year Ended June 30, 2023**

Annette Deason, Executive Director

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 68,033
Benefits-Insurance	11,736
Benefits-Retirement	5,200
Benefits (Expense Allowance)	-0-
Car Allowance	-0-
Vehicle Provided by Government	4,000
Per Diem	-0-
Reimbursements	-0-
Travel	-0-
Registration Fees	500
Conference Travel	-0-
Continuing Professional Education Fees	-0-
Housing	-0-
Un-vouchered Expenses*	-0-
Special Meals	\$ -0-

\*An example of an un-vouchered expense would be a travel advance.

See independent auditor's report.

## **Supplementary Information**

**Housing Authority of the Town of Mamou  
Mamou, Louisiana**

**Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2023**

<b>Federal Grantor/Program or Cluster Title</b>	<b>Federal CFDA Number</b>	<b>Federal Expenditures (\$)</b>
<b>Housing Voucher</b>		
Department of Housing and Urban Development		
Section 8 Housing Choice Vouchers	14.871	\$ 86,579
<i>Total Department of Housing and Urban Development</i>		<u>86,579</u>
<b>Other Programs</b>		
Department of Housing and Urban Development		
Public and Indian Housing	14.850	459,968
<i>Total Public Housing Capital Fund</i>		<u>459,968</u>
Public Housing Capital Fund	14.872	435,427
Total Public Housing Capital Fund		<u>435,427</u>
<i>Total Department of Housing and Urban Development</i>		<u>895,395</u>
<b>Total Expenditures of Federal Awards</b>		<u>\$ 981,974</u>

The accompanying notes are an integral part of this statement.  
See independent auditor's report.

**Housing Authority of the Town of Mamou  
Mamou, Louisiana**

**Notes to the Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2023**

Note A – Uniform Guidance

The Office of Management and Budget “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule” was released in the Federal Register on December 26, 2013 (2 CFR Chapter I, Chapter II, Part 200, et al.). This guidance supersedes requirements from OMB Circulars A-21, A-87, A-110, and A-122 (which have been placed in 2 C.F.R. Parts 220, 225, 215, and 230); Circulars A-89, A-102, and A-133; and the guidance in Circular A-50 on Single Audit Act follow-up.” The new requirements state that an entity expending \$750,000 or more of federal funds adhere to the Uniform Requirements.

The funds used to account for these funds use the accrual basis of accounting.

**1.) General**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Housing Authority. The Housing Authority reporting entity is defined in Note 1 to the Housing Authority’s basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other governmental agencies, are included on the schedule.

**2.) Basis of Accounting**

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to the Housing Authority’s basic financial statements.

**3.) Relationship To Basic Financial Statements**

Federal award revenues are reported in the Housing Authority’s basic financial statements as follows:

Operating Subsidy – Public & Indian Housing	\$	459,968
Operating Subsidy – Section 8		86,579
Capital Fund		435,427
Total	\$	<u>981,974</u>

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with U.S. generally accepted accounting principles.

**4.) Federal Awards**

In accordance with HUD Notice PIH 98-14, “federal awards” do not include the Housing Authority’s operating income from rents or investments (or other non-federal sources). In addition, the entire amount of operating subsidy received during the fiscal year is considered to be “expended” during the fiscal year.

**5.) Indirect Cost Rate**

Sabine Parish Housing Authority has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Presented for purposes of additional analysis only.

**Housing Authority of the Town of Mamou  
Mamou, Louisiana**

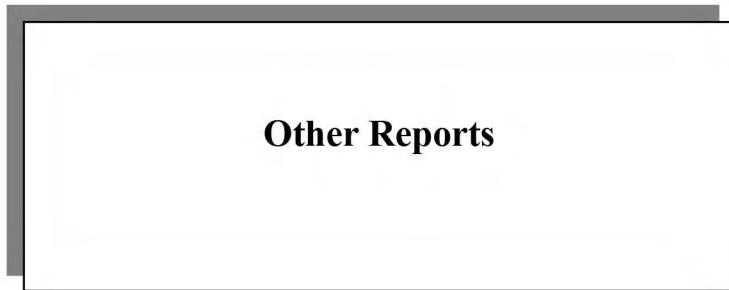
**Statement and Certification of Actual Modernization Cost  
Annual Contribution Contract**

Complete Project CFP <u>501-2020</u>	Incomplete Project CFP <u>501-2021</u>	Incomplete Project CFP <u>501-2022</u>	<b>Total</b>
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**The Actual Modernization Costs  
Are As Follows:**

1. Funds Approved	\$ 250,981	\$ 260,605	\$ 326,483	\$ 838,069
Funds Expended	<u>(250,981)</u>	<u>(259,424)</u>	<u>(47,500)</u>	<u>(557,905)</u>
Excess of Funds Approved	<u>-0-</u>	<u>1,181</u>	<u>278,983</u>	<u>280,164</u>
2. Funds Advanced	250,981	259,424	47,500	557,905
Funds Expended	<u>(250,981)</u>	<u>(259,424)</u>	<u>(47,500)</u>	<u>(557,905)</u>
Excess of Funds Advanced	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

The accompanying notes are an integral part of this statement.



**Other Reports**

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Certified Public Accountants

Association of  
Certified Fraud Examiners

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

Housing Authority of the Town of Mamou  
Mamou, 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 Housing Authority of the Town of Mamou, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Housing Authority of the Town of Mamou's basic financial statements, and have issued our report thereon dated December 19, 2023.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Housing Authority of the Town of Mamou'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 Housing Authority of the Town of Mamou's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the Town of Mamou's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of 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 or significant deficiencies may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Housing Authority of the Town of Mamou'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.

This report is intended solely for the information and use of the audit committee, management, federal awarding agencies and Legislative Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a public document and its distribution is not limited.

*The Vercher Group*

Jena, Louisiana  
December 19, 2023

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## MEMBERS

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## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE**

Housing Authority of the Town of Mamou  
Mamou, Louisiana

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

We have audited the Housing Authority of the Town of Mamou's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Housing Authority of the Town of Mamou's major federal programs for the year ended June 30, 2023. The Housing Authority of the Town of Mamou's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Housing Authority of the Town of Mamou complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

### **Basis for Opinion on Each Major Federal Program**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Housing Authority of the Town of Mamou and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Housing Authority of the Town of Mamou's compliance with the compliance requirements referred to above.

## **Management's Responsibility**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to the Housing Authority of the Town of Mamou's federal programs.

## **Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Housing Authority of the Town of Mamou's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Housing Authority of the Town of Mamou's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Housing Authority of the Town of Mamou's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Housing Authority of the Town of Mamou's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Housing Authority of the Town of Mamou's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

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

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in*

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

This report is intended solely for the information and use of management, the Legislator Auditor, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a public document, and its distribution is not limited.

## *The Vercher Group*

Jena, Louisiana  
December 19, 2023

**HOUSING AUTHORITY OF THE TOWN OF MAMOU  
MAMOU, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST  
For the Year Ended June 30, 2023**

We have audited the basic financial statements which collectively comprise the Housing Authority of the Town of Mamou, Louisiana, as of and for the year ended June 30, 2023, and have issued our report thereon dated December 19, 2023. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

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**Section I Summary of Auditor's Results**

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Our audit of the basic financial statements as of June 30, 2023, resulted in an unmodified opinion.

**a. Report on Internal Control and Compliance Material to the Basic Financial Statements**

Internal Control  
Material Weaknesses       Yes      Significant Deficiencies       Yes

Compliance  
Compliance Material to Basic Financial Statements       Yes

**b. Federal Awards (Not applicable)**

Internal Control  
Material Weaknesses       Yes       No      Other Conditions       Yes       No

Type of Opinion on Compliance       Unmodified       Qualified  
For Major Programs       Disclaimer       Adverse

Are the findings required to be reported in accordance with Uniform Guidance?

Yes       No

**c. Identification of Major Programs:**

<b>CFDA Number (s)</b>	<b>Name of Federal Program (or Cluster)</b>
14.850	Public and Indian Housing

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

Is the auditee a 'low-risk' auditee, as defined by OMB Uniform Guidance?       Yes       No

**HOUSING AUTHORITY OF THE TOWN OF MAMOU  
MAMOU, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST  
For the Year Ended June 30, 2023**

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**Section II Financial Statement Findings**

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No items identified.

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**Section III Federal Awards Findings and Questioned Costs.**

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No items to report.

**HOUSING AUTHORITY OF THE TOWN OF MAMOU  
MAMOU, LOUISIANA**

**MANAGEMENT'S CORRECTIVE ACTION  
FOR CURRENT YEAR AUDIT FINDINGS**

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**FINDINGS:**

No items identified.

John R. Vercher C.P.A.  
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**MANAGEMENT LETTER COMMENTS**

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During the course of our audit, we observed conditions and circumstances that may be improved. Below are findings noted for improvement, our recommendation for improvement and the Housing Authority's plan for corrective action.

**CURRENT YEAR MANAGEMENT LETTER COMMENTS**

No items identified

**HOUSING AUTHORITY OF THE TOWN OF MAMOU  
MAMOU, LOUISIANA**

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**MANAGEMENT'S SUMMARY  
OF PRIOR YEAR FINDINGS**

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Legislative Auditor  
State of Louisiana  
Baton Rouge, Louisiana 70804-9397

The management of The Housing Authority of the Town of Mamou, Louisiana has provided the following action summaries relating to audit findings brought to their attention as a result of their financial audit for the year ended June 30, 2022.

**PRIOR YEAR FINDINGS**

No items identified.

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## **INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES**

Housing Authority of the Town of Mamou  
Mamou, Louisiana

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 July 1, 2022, through June 30, 2023. The Housing Authority of the Town of Mamou's management is responsible for those C/C areas identified in the SAUPs.

The Housing Authority of the Town of Mamou 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 July 1, 2022, through June 30, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

### ***Written Policies and Procedures***

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- 1) Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
  - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
  - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
  - c) **Disbursements**, including processing, reviewing, and approving.

- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or fiduciary fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, fiduciary fund forfeiture monies confirmation).
- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked 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) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (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) requirement that all employees, including elected officials and appointed board members, annually attest through signature verification that they have read the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **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 requirement.

**No exceptions noted in the procedures performed.**

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

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- 2) Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
  - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
  - b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.
  - c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
- 3) 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.

**No exceptions noted in the procedures performed.**

## ***Bank Reconciliations***

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- 4) Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for 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, electronically logged).
  - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged).
  - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

**Exception: The entity has items outstanding over 12 months.**

**Management's Response: The entity stated that they will contact the fee accountant and research old items outstanding.**

## ***Collections (excluding EFTs)***

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- 5) 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).
- 6) For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
  - a) Employees that are responsible for cash collections do not share cash drawers/registers.
  - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
  - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
  - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or fiduciary fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
- 7) Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
- 8) Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:
  - a) Observe that receipts are sequentially pre-numbered.
  - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
  - c) Trace the deposit slip total to the actual deposit per the bank statement.
  - d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
  - e) Trace the actual deposit per the bank statement to the general ledger.

**Exception: Deposits were not made daily.**

**Management's Response: Due to the no cash policy and lack of funds on hand, the entity cannot justify making daily deposits.**

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

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- 9) 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).
- 10) For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
  - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
  - b) At least two employees are involved in processing and approving payments to vendors.
  - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
  - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
  - 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.
- 11) For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
  - a) Observe that the disbursement matched the related original invoice/billing statement.
  - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.
- 12) Using the entity's main operating account and the month selected in bank reconciliation's procedure, 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 per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy.

**No exceptions noted in the procedures performed.**

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

---

- 13) Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

- 14) Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

b) Observe that finance charges and late fees were not assessed on the selected statements.

- 15) Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

**No exceptions noted in the procedures performed.**

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

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- 16) Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).
  - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
  - c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
  - d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

**No exceptions noted in the procedures performed.**

## ***Contracts***

---

- 17) Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Alternately, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
  - b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
  - c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.
  - d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

**No exceptions noted in the procedures performed.**

## ***Payroll and Personnel***

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- 18) Obtain a listing of employees/officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- 19) Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
- a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
  - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
  - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
  - d) Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- 20) Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment

calculations, agree the hours to the employee/officials' cumulate leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

- 21) Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

**No exceptions noted in the procedures performed.**

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#### *Ethics*

- 22) Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
- Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
  - Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.
- 23) Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

**No exceptions noted in the procedures performed.**

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#### *Debt Service*

- 24) Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.
- 25) 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).

**No exceptions noted in the procedures performed.**

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#### *Fraud Notice*

- 26) 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.

27) 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.

**No exceptions noted in the procedures performed.**

***Information Technology Disaster Recovery/Business Continuity***

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28) Perform the following procedures, verbally discuss the results with management, and report “We performed the procedure and discussed the results with management.”

- a) Obtain and inspect the entity’s most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.
- b) Obtain and inspect the entity’s most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
- 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 active antivirus software and that the antivirus, operating system, and accounting system software are the most recent versions available (i.e. up-to-date).

29) Randomly select 5 terminated employees (or all terminated employees is 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.

**We performed the procedures and discussed the results with management.**

***Prevention of Sexual Harassment***

---

30) Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above, 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.

31) 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).

32) 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 it 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.

**Exceptions: Not all of the selected employees/officials completed one hour of sexual harassment training during the calendar year and the sexual harassment report was not completed.**

**Management's Response: All employees/officials will complete at least one hour of sexual harassment training during the calendar year and the entity will issue a sexual harassment report before February 1.**

We were engaged by the Housing Authority of the Town of Mamou 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 the Housing Authority of the Town of Mamou 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.

*The Vercher Group*

Jena, Louisiana

December 19, 2023

## **Financial Data Schedule**

**Housing Authority of the Town of Mamou (LA031)**  
**MAMOU, LA**  
**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit      Fiscal Year End: 6/30/2023

	Project Total	14,871 Housing Choice Vouchers	Total
111 Cash - Unrestricted	\$164,056	\$51,001	\$215,057
114 Cash - Tenant Security Deposits	\$23,115		\$23,115
100 Total Cash	\$187,171	\$51,001	\$238,172
122 Accounts Receivable - HUD Other Projects	\$485		\$485
126 Accounts Receivable - Tenants	\$2,664		\$2,664
126.1 Allowance for Doubtful Accounts -Tenants	-\$100		-\$100
129 Accrued Interest Receivable	\$30		\$30
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$3,079	\$0	\$3,079
131 Investments - Unrestricted	\$126,443		\$126,443
142 Prepaid Expenses and Other Assets	\$83,838		\$83,838
144 Inter Program Due From	\$319		\$319
150 Total Current Assets	\$400,850	\$51,001	\$451,851
161 Land	\$393,732		\$393,732
162 Buildings	\$5,184,111		\$5,184,111
163 Furniture, Equipment & Machinery - Dwellings	\$85,786		\$85,786
164 Furniture, Equipment & Machinery - Administration	\$138,326		\$138,326
165 Leasehold Improvements	\$3,249,685		\$3,249,685
166 Accumulated Depreciation	-\$5,843,554		-\$5,843,554
160 Total Capital Assets, Net of Accumulated Depreciation	\$3,208,086	\$0	\$3,208,086
180 Total Non-Current Assets	\$3,208,086	\$0	\$3,208,086
290 Total Assets and Deferred Outflow of Resources	\$3,608,936	\$51,001	\$3,659,937
312 Accounts Payable <= 90 Days	\$34,625	\$150	\$34,775
321 Accrued Wage/Payroll Taxes Payable	\$8,739	\$319	\$9,058
322 Accrued Compensated Absences - Current Portion	\$7,895		\$7,895
341 Tenant Security Deposits	\$23,115		\$23,115
342 Unearned Revenue	\$7,524		\$7,524
345 Other Current Liabilities	\$18,172		\$18,172
310 Total Current Liabilities	\$100,070	\$469	\$100,539
353 Non-current Liabilities - Other	\$1,165		\$1,165
354 Accrued Compensated Absences - Non Current	\$17,096		\$17,096
350 Total Non-Current Liabilities	\$18,261	\$0	\$18,261
300 Total Liabilities	\$118,331	\$469	\$118,800
508.4 Net Investment in Capital Assets	\$3,208,086		\$3,208,086
512.4 Unrestricted Net Position	\$282,519	\$50,532	\$333,051
513 Total Equity - Net Assets / Position	\$3,490,605	\$50,532	\$3,541,137
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$3,608,936	\$51,001	\$3,659,937

**Housing Authority of the Town of Mamou (LA031)**  
**MAMOU, LA**  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year  
End: 6/30/2023

	Project Total	14.871 Housing Choice Vouchers	Total
70300 Net Tenant Rental Revenue	\$311,532		\$311,532
70500 Total Tenant Revenue	\$311,532	\$0	\$311,532
70600 HUD PHA Operating Grants	\$507,468	\$86,579	\$594,047
70610 Capital Grants	\$387,927		\$387,927
71100 Investment Income - Unrestricted	\$133	\$67	\$200
71500 Other Revenue	\$36,168		\$36,168
70000 Total Revenue	\$1,243,228	\$86,646	\$1,329,874
91100 Administrative Salaries	\$89,182	\$14,424	\$103,606
91200 Auditing Fees	\$8,500		\$8,500
91300 Management Fee			
91310 Book-keeping Fee	\$4,555	\$1,940	\$6,495
91500 Employee Benefit contributions - Administrative	\$61,538	\$996	\$62,534
91600 Office Expenses	\$9,091		\$9,091
91800 Travel	\$320		\$320
91900 Other	\$27,458		\$27,458
91000 Total Operating - Administrative	\$200,644	\$17,360	\$218,004
93100 Water	\$69,562		\$69,562
93200 Electricity	\$10,207		\$10,207
93000 Total Utilities	\$79,769	\$0	\$79,769
94100 Ordinary Maintenance and Operations - Labor	\$109,177		\$109,177
94200 Ordinary Maintenance and Operations - Materials and Other	\$72,046		\$72,046
94300 Ordinary Maintenance and Operations Contracts	\$67,169		\$67,169
94500 Employee Benefit Contributions - Ordinary Maintenance	\$72,241		\$72,241
94000 Total Maintenance	\$320,633	\$0	\$320,633
96110 Property Insurance	\$61,826		\$61,826
96120 Liability Insurance	\$12,247		\$12,247
96130 Workmen's Compensation	\$3,149		\$3,149
96140 All Other Insurance	\$30,088		\$30,088
96100 Total insurance Premiums	\$107,310	\$0	\$107,310
96200 Other General Expenses	\$15,455		\$15,455
96210 Compensated Absences	\$3,983		\$3,983
96300 Payments in Lieu of Taxes	\$18,172		\$18,172
96000 Total Other General Expenses	\$37,610	\$0	\$37,610
96900 Total Operating Expenses	\$745,966	\$17,360	\$763,326
97000 Excess of Operating Revenue over Operating Expenses	\$497,262	\$69,286	\$566,548
97100 Extraordinary Maintenance	\$26,307		\$26,307
97300 Housing Assistance Payments		\$72,540	\$72,540
97400 Depreciation Expense	\$193,289		\$193,289
90000 Total Expenses	\$965,562	\$89,900	\$1,055,462

10010 Operating Transfer In	\$435,427		\$435,427
10020 Operating transfer Out	-\$435,427		-\$435,427
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$277,666	-\$3,254	\$274,412
11030 Beginning Equity	\$3,212,939	\$53,786	\$3,266,725
11170 Administrative Fee Equity		\$49,807	\$49,807
11180 Housing Assistance Payments Equity		\$725	\$725
11190 Unit Months Available	1440	240	1680
11210 Number of Unit Months Leased	1440	240	1680
11270 Excess Cash	\$154,779		\$154,779
11630 Furniture & Equipment - Dwelling Purchases	\$24,016		\$24,016
11650 Leasehold Improvements Purchases	\$401,739		\$401,739