
**RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA**

FINANCIAL STATEMENTS

JUNE 30, 2022

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INDEPENDENT AUDITORS' REPORT

Red River Parish Sales & Use Tax Commission
Coushatta, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Red River Parish Sales & Use Tax Commission (Commission), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund and the aggregate remaining fund information of the Red River Parish Sales & Use Tax Commission, as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for 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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Commission, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee

that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Budgetary Comparison Information on pages 4 to 7 and 25, respectively, 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 Commission's basic financial statements. The Schedule of Compensation, Benefits and Other Payments to the Agency Head is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Schedule of Compensation, Benefits and Other Payments to the Agency Head 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including



comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation, Benefits and Other Payments to the Agency Head is 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 a report dated December 30, 2022, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's 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 Commission's internal control over financial reporting and compliance.

Postlethwaite & Netterville

Baton Rouge, Louisiana
December 30, 2022

REQUIRED SUPPLEMENTARY INFORMATION – PART I

**RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA LOUISIANA
MANAGEMENT’S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

The Management's Discussion and Analysis of the Red River Parish Sales & Use Tax Commission's (the Commission) financial performance presents a narrative overview and analysis of the Commission's financial activities for the year ended June 30, 2022. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the Commission's financial statements, which begin on page 8.

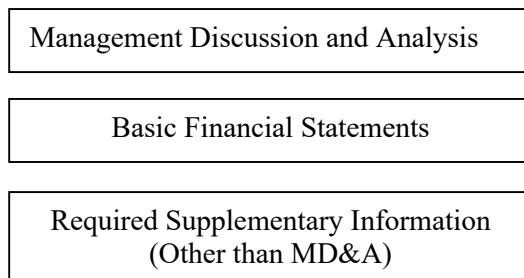
FINANCIAL HIGHLIGHTS

This annual report consists of a series of financial statements. The Government-wide statements provide information about the activities of the Commission as a whole and present a longer-term view of the Commission's finances. These Government-wide statements tell how services were financed in the short-term as well as what remains for future spending. The Governmental Fund Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance places an emphasis on current financial resources. There is only one governmental fund and that is the General Fund.

- The Commission’s net position decreased by \$17,502 in the current year compared to a decrease in net position of \$16,736 in the prior year.
- The General fund reported a reduction in fund balance of \$10,858, reducing fund balance to \$65,856. A similar yet smaller reduction in the amount of \$9,879 was recognized in the prior year. The reduction is a result of an increase expenditures year over year of \$3,099 offset by an increase in revenues of \$2,120.
- Total expenditures in the general fund increased by \$3,099. This is attributed to an increase in personnel costs and benefits offset by a decrease in operating services. Total revenues in the general fund increased by \$2,120. This is attributed to increased member billings based on current year tax collection activity.

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for the Commission as established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments:



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information, and other supplementary information.

**RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

Basic Financial Statements

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 8 and 9) provide information about the activities of the Commission as a whole and present a longer-term view of the Commission's finances. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Position and the Statement of Activities report the Commission's net position and changes therein. One can think of the Commission's net position, the difference between assets and liabilities, as one way to measure the Commission's financial health, or financial position. Over time, increases or decreases in the Commission's net position is an indicator of whether its financial health is improving or deteriorating.

Fund financial statements start on page 10. The Commission's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short term view of the Commission's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Commission's activities as well as what remains for future spending.

The Fiduciary Fund financial statements are presented on page 14. Fiduciary funds report assets held for others. The taxes collected by the Commission flow through this fund.

FINANCIAL ANALYSIS OF THE ENTITY

Statement of Net Position
As of Year-End

	2022	2021
Cash and cash equivalents	\$ 64,580	\$ 77,335
Receivables	2,811	2,722
Capital assets, net	-	-
Total Assets	\$ 67,391	\$ 80,057
Current liabilities	\$ 1,535	\$ 3,343
Non-current liabilities	78,385	71,741
Total Liabilities	79,920	75,084
Net position		
Net investment in capital assets	-	-
Unrestricted	(12,529)	4,973
Total Net Position	(12,529)	4,973
Total Liabilities and Net Position	\$ 67,391	\$ 80,057

**RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

FINANCIAL ANALYSIS OF THE ENTITY (continued)

Net position of the Commission decreased by \$17,502 or 351.9% from the previous fiscal year. (See table below)

Statement of Activities
For the Year Ended

	June 30, 2022	June 30, 2021
Program revenues		
Charges for services	\$ 100,933	\$ 98,768
Other revenues	387	432
Total revenue	101,320	99,200
Expenses	(118,822)	(115,936)
Change in net position	\$ (17,502)	\$ (16,736)

Revenues and expenses increased from year to year. The program revenues consist of charges to the taxing authorities to cover the administrative costs for compensation and benefits for the sole employee and other operating costs. These charges are budgeted and approved by the Commission and fluctuate very little. However, the Commission periodically assesses these changes for adequacy. In the current year, program revenues increased by approximately \$2,120 or 2.1%, and expenses increased by approximately \$2,886 or 2.5%. The increase in revenue was due to increased member billings based on current year collection activity. The increase in expenses is the result of increases in personnel costs.

Long-Term Liabilities

The Commission's only long-term liability consists of its compensated absence payable. The Commission had \$78,385 in compensated absences payable at year end compared to \$71,741 at the previous year end, an increase of \$6,644 or 9.3%. The policy of the Commission is to allow employees to carry over to the next year any unused compensated absences. The increase is the result of the sole employee accruing unused compensated absences in accordance with the Commission's policy as well as an increase in approved salary.

TAX COLLECTIONS AND DISTRIBUTIONS

Sales and use tax collections, including protested taxes collected and interest on late payments, for the years ended June 30, 2022 and 2021 amounted to \$17,142,825 and \$11,103,458, respectively. Distributions of these taxes to appropriate governmental jurisdictions within Red River Parish during the same period of time amounted to \$16,426,805 and \$10,908,834, respectively. Collections and distributions during the same fiscal year differ because of collection costs and the resolution of disputes affecting distributions usually occur in periods after the respective taxes were collected.

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

The Commission's budget was amended during the year to better reflect the results of operations. Both revenues and expenses were adjusted to reflect anticipated increases in personnel services and benefits costs.

Actual revenues and expenditures reflected minor differences from the final amended budget.

**RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Commission's appointed officials considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- 1) Intergovernmental revenues (based on personnel and operating expenses)
- 2) Interest income
- 3) Miscellaneous income

The Commission does not expect any significant changes in next year's results as compared to the current year.

CONTACTING THE RED RIVER PARISH SALES & USE TAX COMMISSION'S MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Commission's finances and to show the Commission's accountability for the money it receives. Any questions about this report or requests for additional information may be directed to the Red River Parish Sales & Use Tax Commission, Attention: Elaine Moore, Administrator, at Post Office Box 570, Coushatta, Louisiana 71019.

BASIC FINANCIAL STATEMENTS

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA

STATEMENT OF NET POSITION
JUNE 30, 2022

	<u>GOVERNMENTAL ACTIVITIES</u>
<u>ASSETS</u>	
Current Assets:	
Cash and cash equivalents	\$ 64,580
Accounts receivable	<u>2,811</u>
Total assets	<u>67,391</u>
 <u>LIABILITIES</u>	
Current Liabilities:	
Accounts payable and accruals	<u>1,535</u>
Noncurrent Liabilities:	
Compensated absences payable	<u>78,385</u>
Total liabilities	<u>79,920</u>
 <u>NET POSITION</u>	
Unrestricted	<u>(12,529)</u>
Total net position	<u><u>\$ (12,529)</u></u>

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

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA, LOUISIANA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Expenses</u>	<u>Program Revenue</u>	<u>Net Expense and Changes in Net Position</u>
<u>Functions/Programs</u>			
Governmental activities			
General government	\$ 118,822	\$ 100,933	\$ (17,889)
Total governmental activities	<u>\$ 118,822</u>	<u>\$ 100,933</u>	<u>(17,889)</u>
General Revenues:			
Interest income			<u>387</u>
Total general revenues			<u>387</u>
			(17,502)
			<u>4,973</u>
			<u>\$ (12,529)</u>

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

RED RIVER PARISH SALES AND USE TAX COMMISSION
COUSHATTA, LOUISIANA

GOVERNMENTAL FUND
BALANCE SHEET
JUNE 30, 2022

	<u>GENERAL FUND</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 64,580
Accounts receivable	<u>2,811</u>
Total Assets	<u><u>\$ 67,391</u></u>
<u>LIABILITIES</u>	
Accounts payable and accruals	<u>\$ 1,535</u>
Total Liabilities	<u>1,535</u>
<u>FUND BALANCES</u>	
Unassigned	<u>65,856</u>
Total Fund Balances	<u>65,856</u>
Total Liabilities and Fund Balances	<u><u>\$ 67,391</u></u>

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

RED RIVER PARISH SALES AND USE TAX COMMISSION
COUSHATTA, LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2022

Total fund balances - Governmental Fund	\$	65,856
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and therefore, not reported in the fund assets.		
Cost of capital assets at June 30, 2022	\$	9,159
Less: Accumulated Depreciation as of June 30, 2022		<u>(9,159)</u> -
Long-term liabilities, including compensated absences payable, are not due and payable in the current period and therefore are not reported in the fund liabilities		<u>(78,385)</u>
Total net position - Governmental Activities	\$	<u><u>(12,529)</u></u>

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

RED RIVER PARISH SALES AND USE TAX COMMISSION
COUSHATTA, LOUISIANA

GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2022

	<u>GENERAL</u> <u>FUND</u>
<u>REVENUES</u>	
Charges for service	\$ 100,933
Interest income	387
Total revenues	<u>101,320</u>
<u>EXPENDITURES</u>	
General Government:	
Employee salary and benefits	86,616
Travel	689
Operating services	11,512
Supplies	2,511
Professional services	10,850
Total expenditures	<u>112,178</u>
<u>CHANGE IN FUND BALANCE</u>	<u>(10,858)</u>
Fund balance - beginning of year	<u>76,714</u>
Fund balance - end of year	<u><u>\$ 65,856</u></u>

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

RED RIVER PARISH SALES AND USE TAX COMMISSION
COUSHATTA, LOUISIANA

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE OF
GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Net change in fund balance - Governmental Fund	\$ (10,858)
Amounts reported for governmental activities in the statement of activities are different because:	
Compensated absences accrued in excess of amounts paid.	<u>(6,644)</u>
Change in net position - Governmental Activities	<u><u>\$ (17,502)</u></u>

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

RED RIVER PARISH SALES AND USE TAX COMMISSION
COUSHATTA, LOUISIANA

STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2022

	<u>CUSTODIAL FUND</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 48,396
Escrowed cash	11,104
Taxes receivable	<u>1,622,523</u>
Total assets	<u>1,682,023</u>
<u>LIABILITIES</u>	
Due to other governments	<u>1,670,919</u>
<u>NET POSITION</u>	
Restricted for individuals and other governments	<u><u>\$ 11,104</u></u>

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

RED RIVER PARISH SALES AND USE TAX COMMISSION
COUSHATTA, LOUISIANA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
JUNE 30, 2022

	<u>CUSTODIAL FUND</u>
<u>ADDITIONS</u>	
Sales tax collections	<u>\$ 17,142,825</u>
<u>DEDUCTIONS</u>	
Distributions to taxing bodies	16,426,805
Tax refunds and settlement	550,122
Returned payments	132,758
Sales tax collection audit fees	33,123
Total deductions	<u>17,142,808</u>
Net changes in fiduciary net position	17
<u>NET POSITION</u>	
Net position - beginning	11,087
Net position - ending	<u><u>\$ 11,104</u></u>

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

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided in Article VII, Section 3 of the Louisiana Constitution of 1974, the Red River Parish Sales and Use Tax Commission (Commission) serves as the collector of sales and use taxes for Red River Parish. The Commission is comprised of five members, one selected from the Red River Parish School Board, Red River Parish Police Jury, Red River Parish Sheriff's Office, the Town of Coushatta, and the Village of Hall Summit, in accordance with a joint agreement of the agencies. The Commissioners serve for indefinite terms and without benefit of compensation.

Basis of Presentation

The accompanying financial statements of the Commission have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

For financial reporting purposes, the Commission's basic financial statements include all funds that are controlled by the Commission. The Commission was created and organized as an independent agency for the collection of sales and use taxes, is not considered to be a component unit of any other entity and has no component units as defined in GASB codification Section 2100.

Fund Accounting

The Commission uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain commission functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Governmental Funds

Governmental funds account for most of the Commission's governmental activities. These funds focus on the sources, uses, and balances of current financial resources. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the Commission. The following are the Commission's governmental funds:

General Fund

The General fund is the operating fund of the Commission and it's considered to be the Commission's only major fund. It is used to account for all financial resources except those required to be accounted for in other funds. The General fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to Commission's policy.

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Accounting (continued)

Governmental Funds (continued)

Fiduciary Fund

Fiduciary fund reporting focuses on resources held for other parties. The only fund accounted for in this category by the Commission is a custodial fund. The custodial fund is used to account for assets held by the Commission in a custodial capacity or as an agent for the taxing authorities. Collections of sales taxes are recognized when received and expenditures are recognized when the related fund liability is incurred, regardless of when the related cash flow takes place. The custodial fund uses the full accrual basis of accounting.

Basis of Accounting / Measurement Focus

Government-wide financial statements (GWFS)

The statement of net position and the statement of activities display information about the primary government (the Commission). These statements include the financial activities of the overall government, except for fiduciary activities. Governmental activities are generally financed through service charges to the taxing districts receiving tax distributions and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Commission's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include fees for the collection of taxes. Revenues that are not associated as program revenues, including interest revenue presented as general revenues.

The GWFS and fiduciary fund statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Commission gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Exchange transactions, in which the Commission gives (or receives) value in exchange for services rendered, consist of the charges for collection services which are recognized when services are provided and revenue is earned.

Fund Financial Statements (FFS)

The fund financial statements provide information about the Commission's General Fund. Separate statements for each fund category are presented. The emphasis of fund financial statements is on the major fund, which is the General Fund.

The amounts reflected in the General Fund are accounted for using the current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures and changes in net fund balance reports on the sources (i.e., revenues and other financing resources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of Commission operations.

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Accounting / Measurement Focus (continued)

Fund Financial Statements (FFS) (continued)

The Commission considers all revenues reported in the governmental fund to be available if the revenues are collected within sixty days after year-end. Interest is considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in the governmental fund.

Budgetary Accounting

Formal budgetary accounting is employed as a management control. The Commission prepares and adopts a budget prior to July 1 of each year for its general fund in accordance with Louisiana Revised Statutes. The operating budget is prepared based on prior year's revenues and expenditures and the estimated increase therein for the current year, using the modified accrual basis of accounting. The Commission amends its budget when projected revenues are expected to be less than budgeted revenues by five percent or more and/or projected expenditures are expected to be more than budgeted amounts by five percent or more. All budget appropriations lapse at year end.

Cash and Cash Equivalents

Cash and cash equivalents 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.

Receivables

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

Bad Debts

Uncollectible accounts receivable are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncertainty associated with the collectability of the particular receivable. At June 30, 2022, all receivables are deemed collectible.

Capital Assets

Capital assets are carried at historical costs. Depreciation of all exhaustible capital assets used by the Commission is charged as an expense against operations in the statement of activities. Capital assets, net of accumulated depreciation, are reported on the statement of net position. Depreciation is computed using the straight line method over the estimated useful life of the assets, generally 20 to 40 years for buildings and building improvements and 5 to 10 years for moveable property. Expenditures for maintenance, repairs and minor renewals are charged to earnings as incurred. Major expenditures for renewals and betterments are capitalized. The Commission maintains a threshold level of \$1,000 or more for capitalizing assets.

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Compensated Absences

The Commission's single employee earns annual and sick leave at various rates depending on the number of years in service. The amount of annual and sick leave that may be accumulated by the employee is unlimited. Upon termination, the employee is compensated for all of their unused annual and sick leave at the employee's hourly rate of pay at the time of termination. The recorded liability has been valued based on the current rate of the pay of this employee.

Net Position

For the government-wide statement of net position, net position amount is classified and displayed in three components:

- Net investment in capital assets – consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- Restricted net position – net position is considered restricted if its use is constrained to a particular purpose. Restricted net position is restricted assets reduced by liabilities and deferred inflows of resources related to the restricted assets.
- Unrestricted net position – consists of all other net position that does not meet the definition of the above two components and is available for general use by the Commission.

Fund Balance of Fund Financial Statements

Accounting standards require governmental fund balances to be reported in as many as five classifications as listed below:

- Nonspendable – represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally contractually required to be maintained intact.
- Restricted – represents balances where constraints have been established by parties outside the Commission or imposed by law through constitutional provisions or enabling legislation.
- Committed – represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Commission's highest level of decision-making authority.
- Assigned – represents balances that are constrained by the Commission's intent to be used for specific purposes, but are not restricted nor committed.
- Unassigned – represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund.

**RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Balance of Fund Financial Statements (continued)

When expenses are incurred for the purposes for which both restricted and unrestricted amounts are available, the Commission reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for the purposes for which committed, assigned, and unassigned amounts are available, the Commission reduces committed amounts first, followed by assigned amounts and then unassigned amounts.

Estimates

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

**RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

2. DEPOSITS WITH FINANCIAL INSTITUTIONS

Deposits with Financial Institutions

	Governmental Funds	Fiduciary Funds
Cash and cash equivalents		
Demand deposits	\$ 64,580	\$ 48,396
Restricted cash		
Demand deposits - escrow	-	11,104
Total deposits	<u>\$ 64,580</u>	<u>\$ 59,500</u>

Deposits in financial institutions can be exposed to custodial credit risk. Custodial credit risk is the risk that in the event of a bank failure, the Commission's deposits may not be returned to them. The Commission does not have a deposit policy for custodial credit risk; however, state law is designed to limit this risk. State law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent's financial institution. At June 30, 2022, the Commission's bank balance of demand deposit accounts was \$128,412 and was fully collateralized or FDIC insured and therefore, not exposed to custodial credit risk.

The Commission has restricted assets relating to taxes paid under protest (see Note 9). The escrow account consists of taxes remitted to the Commission under protest. The Commission is not entitled to disburse these funds until the related claim has been settled. Once taxes paid under protest claims are settled, the funds will either be returned to the claimant or distributed among the five Commission member entities.

3. ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2022 includes service charges due totaling \$2,811.

4. CAPITAL ASSETS

A summary of the Commission's capital assets at June 30, 2021 follows:

	Balance July 1, 2021	Additions	Retirements	Balance June 30, 2022
Capital Assets				
Furniture, fixtures and equipment	\$ 9,159	\$ -	\$ -	\$ 9,159
Less accumulated depreciation	(9,159)	-	-	(9,159)
Total Capital Assets, net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

5. ACCOUNTS PAYABLE AND ACCRUALS

Accounts payable at June 30, 2022 includes vendor and payroll liabilities of \$547 and \$988, respectively.

RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

6. COMPENSATED ABSENCES

At June 30, 2022, the employee of the Commission had accumulated \$78,385 in annual leave benefits. The following is a summary of the changes in accumulated annual leave benefits for the year ended June 30, 2022.

Compensated absences payable, beginning of year	\$ 71,741
Additions	8,825
Deletions	<u>(2,181)</u>
Compensated absences payable, end of year	<u>\$ 78,385</u>

7. CONCENTRATION OF REVENUES

The Commission received fee revenues based on a percentage of collected sales and use taxes, up to an established minimum, from the Red River Parish School Board, the Red River Parish Police Jury, the Red River Parish Sheriff, the Town of Coushatta and the Village of Hall Summit during fiscal year 2022.

These agencies are all within the Parish of Red River. This revenue is substantially all of the Commission's revenue that is recognized in the General Fund.

8. TAXES PAID UNDER PROTEST

Louisiana Revised Statute 47:1576 provides that taxpayers, at the time of payment of all taxes due, may give notice to the tax collector of their intention to file suit for recovery of all or a portion of the total taxes paid. Upon receipt of a notice, the amount paid shall be segregated and held by the Commission for a period of thirty days. If a suit is filed within 30 days, the segregated funds shall be held pending the outcome of the suit. If the taxpayer prevails, the Commission shall refund the amount due with interest from the date the funds were received by the Commission. There was \$11,087 in sales taxes paid under protest as of June 30, 2022. These amounts are held in escrow and reported in the Commission's custodial fund.

9. LITIGATION AND CLAIMS

Taxes paid under protest at June 30, 2022 totaled approximately \$11,000. This total is comprised of approximately \$11,000 of taxes paid in protest for which the balances have been escrowed. There were no disputed taxes as of June 30, 2022, for which the taxpayers are seeking a refund and the amounts are not escrowed. Any non-escrowed claim for which the Commission is ordered to pay will be paid out of future collections or collectible from the respective taxing districts.

During the year ended June 30, 2022, no taxes paid in protest were settled.

**RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

9. LITIGATION AND CLAIMS (continued)

During the year ended June 30, 2022, other disputed taxes totaling \$550,122, that were not escrowed, were settled resulting in amounts owed to the respective taxpayers totaling the same amount. Since these claims were not originally paid under protest and escrowed, these settlements are funded by directly reducing distributions to taxing districts.

10. EXPENDITURES OF THE TAX COMMISSION PAID BY THE PARISH COUNCIL

The Tax Commission is located in the Parish courthouse complex. Expenditures for maintenance and operation of the Parish courthouse complex, as required by state statute, are paid by the Red River Parish Police Jury and are not included in the accompanying financial statements.

11. CHANGE IN NET POSITION AVAILABLE FOR SETTLEMENT – FIDUCIARY FUND

	Current Collections	Protested Taxes	Total
Net position available for settlement at July 1, 2021	\$ -	\$ 11,087	\$ 11,087
COLLECTIONS			
Sales and use taxes	17,142,436	-	17,142,436
Interest	372	17	389
Total Collections	17,142,808	17	17,142,825
DISTRIBUTIONS AND COLLECTION COSTS			
Red River Parish School Board (2%)	6,923,126	-	6,923,126
Red River Parish Police Jury (1.5%)	5,192,348	-	5,192,348
Red River Parish Sheriff's Office (1.0%)	3,461,569	-	3,461,569
Town of Coushatta (1.0%)	819,782	-	819,782
Village of Hall Summit (1.0%)	29,980	-	29,980
Total Distributions	16,426,805	-	16,426,805
Settled disputes paid to tax payers	550,122	-	550,122
Returned payments	132,758	-	132,758
Cost of collections	33,123	-	33,123
Net position available for settlement at June 30, 2022	\$ -	\$ 11,104	\$ 11,104

**RED RIVER PARISH SALES & USE TAX COMMISSION
COUSHATTA LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022**

12. COLLECTIONS ON BEHALF OF THE TAXING AUTHORITIES

	<u>Total Collections</u>	<u>Collection Costs</u>	<u>Returned Payments</u>	<u>Non- escrowed Refunds</u>	<u>Final Distribution</u>
Red River Parish School Board (2%)	\$ 7,224,956	\$ 14,028	\$ 55,952	\$ 231,850	\$ 6,923,126
Red River Parish Police Jury (1.5%)	5,418,721	10,521	41,964	173,888	5,192,348
Red River Parish Sheriff's Office (1.0%)	3,612,484	7,014	27,976	115,925	3,461,569
Town of Coushatta (1.0%)	855,366	1,505	6,625	27,454	819,782
Village of Hall Summit (1.0%)	31,281	55	242	1,004	29,980
Totals	<u>\$17,142,808</u>	<u>\$ 33,123</u>	<u>\$ 132,759</u>	<u>\$ 550,122</u>	<u>\$16,426,805</u>

The Commission distributes all sales and use taxes and interest collected each month to the respective entities less any funds paid under protest and interest, which are put in escrow accounts (see Note 9).

REQUIRED SUPPLEMENTARY INFORMATION – PART II

RED RIVER PARISH SALES AND USE TAX COMMISSION
COUSHATTA, LOUISIANA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUND - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<u>REVENUES</u>				
Charges for services	\$ 100,017	\$ 100,896	\$ 100,933	\$ 37
Interest income	440	400	387	(13)
Total Revenues	<u>100,457</u>	<u>101,296</u>	<u>101,320</u>	<u>24</u>
<u>EXPENDITURES</u>				
General Government:				
Employee salary and benefits	85,942	86,710	86,616	94
Travel	450	459	689	(230)
Operating services	13,045	12,894	11,512	1,382
Supplies	1,500	1,962	2,511	(549)
Professional services	15,500	10,850	10,850	-
Total Expenditures	<u>116,437</u>	<u>112,875</u>	<u>112,178</u>	<u>697</u>
<u>CHANGES IN FUND BALANCE</u>	<u>(15,980)</u>	<u>(11,579)</u>	<u>(10,858)</u>	<u>721</u>
<u>FUND BALANCES</u>				
Beginning of year	<u>78,026</u>	<u>77,324</u>	<u>76,714</u>	<u>(610)</u>
End of year	<u>\$ 62,046</u>	<u>\$ 65,745</u>	<u>\$ 65,856</u>	<u>\$ 111</u>

OTHER SUPPLEMENTARY INFORMATION

RED RIVER PARISH SALES AND USE TAX COMMISSION
COUSHATTA, LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO THE AGENCY HEAD
FOR THE YEAR ENDED JUNE 30, 2022

Agency Head: Elaine Moore

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 61,856
Benefits - (Supplement and Insurance)	24,760
Car mileage	<u>689</u>
	<u>\$ 87,305</u>

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

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

Red River Parish Sales & Use Tax Commission
Coushatta, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the major fund and the aggregate remaining fund information of the Red River Parish Sales & Use Tax Commission (Commission), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated December 30, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) as a basis for designing 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 Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of 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 may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 Commission'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 Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Postlethwaite & Netterville

Baton Rouge, Louisiana
December 30, 2022

RED RIVER PARISH SALES AND USE TAX COMMISSION
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
JUNE 30, 2022

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expressed an unmodified opinion on the financial statements of the Red River Parish Sales and Use Tax Commission (the Commission) as of and for the year June 30, 2022.
2. No material weaknesses were reported relating to the audit of the financial statements. No significant deficiencies in internal control are reported.
3. No instance of noncompliance material to the financial statements of the Commission was disclosed during the audit.

B. FINDINGS – FINANCIAL STATEMENT AUDIT

None

**RED RIVER PARISH SALES AND USE TAX COMMISSION
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
JUNE 30, 2022**

B. FINDINGS – FINANCIAL STATEMENT AUDIT

None

RED RIVER PARISH SALES AND USE TAX COMMISSION

REPORT TO MANAGEMENT

JUNE 30, 2022

December 30, 2022

Red River Parish Sales & Use Tax Commission
Coushatta, Louisiana

We have audited the financial statements of the Red River Parish Sales & Use Tax Commission (Commission), for the year ended June 30, 2022, and have issued our report thereon. As part of our audit, we evaluated the internal accounting control to the extent we considered necessary to evaluate the system as required by auditing standards generally accepted in the United States of America. Under these standards, the purposes of such evaluation are to establish a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.

The objective of internal control is to provide reasonable, but not absolute, assurance as to the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of the financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a system of internal accounting control should not exceed the benefits derived and also recognizes that the evaluation of these factors necessarily requires estimates and judgments by management.

No matter how good a system, there are inherent limitations that should be recognized in considering the potential effectiveness of internal accounting controls. In the performance of most control procedures, errors can result from misunderstanding of instructions, mistakes of judgment, carelessness, or other personal factors. Control procedures whose effectiveness depends upon segregation of duties can be circumvented by collusion. Similarly, control procedures can be circumvented intentionally by management either with respect to the execution and recording of transactions or with respect to the estimates and judgments required in the preparation of financial statements. Further, projection of any evaluation of internal accounting control to future periods is subject to the risk that the degree of compliance with the procedures may deteriorate. We say this simply to suggest that any system needs to be constantly reviewed and improved where necessary.

During the course of our audit, we became aware of an internal control matter that represents an opportunity for strengthening internal controls or operating efficiency. Our comments and suggestions regarding that matter is set forth below. The Commission's response to the matter identified below was not subjected to auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it. This letter does not affect our reports dated December 30, 2022, on the financial statements, compliance and internal controls of the Commission.

CURRENT YEAR

MLC 2022-001 Segregation of Duties and Reconciliations (Recurring) (With Cause)

Criteria: Internal controls should be designed to prevent or detect and correct errors and unauthorized transactions. Internal controls should be established over tax collections to ensure that all tax payments are deposited timely, in agreement with the tax returns filed by the taxpayer and recorded properly in the general ledger. Internal controls should also be established to help ensure that all disbursements are authorized, within the governmental purpose of the Commission and budgetary appropriations. These control objectives are often accomplished

by segregating the incompatible duties of authorizing the transaction, accounting and reconciliation duties and having access to the assets. Segregations of incompatible duties also reduces the potential for fraud or misappropriations.

Condition: The Administrator, the sole employee of the Commission, receives and enters sales and use tax return information into the collections system. She also makes the deposits or authorizes on-line batch deposits. She also records the activity in the general ledger and is responsible for reconciling the deposits and general ledger activity to the collections system and maintaining the compensated absences schedule. A single employee makes it difficult to segregate incompatible duties completely. To mitigate this, the Commission has implemented procedures involving members of the Board and other outside parties. Disbursements require dual signatures including the Administrator and one of the Board members with signatory authority. Further, a member of the Board periodically reviews and reconciles daily sales tax collections from the collections system to deposit records and bank activity. In addition, financial data including monthly tax collections, disbursements as well as significant other disbursements are reviewed in the quarterly board meetings. In addition, a commissioner reviews and approves timesheets and signs paychecks with pay period. Also, periodically, the Commission reviews the compensated absences schedule.

Recommendation: We recommend that the Commission continue to perform the mitigating procedures and periodically assess the adequacy and effectiveness of those mitigating procedures.

Management's

Response: Management began the process several years ago to mitigate the lack of segregation of incompatible duties. Management will continue to perform the established procedures as well as periodically assess the adequacy and effectiveness of those mitigating procedures.

We have already discussed the above comment and recommendation with management, and we will be pleased to discuss it in further detail at your convenience. We would also welcome any opportunity to perform any additional study of this matter or to assist you in implementing the recommendation. Finally, we would also like to thank the Commission's Administrator for her cooperation with us during the performance of the audit.

This report is intended solely for the information and use of the Commission, management of the Commission and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties.



Baton Rouge, Louisiana
December 30, 2022

RED RIVER PARISH SALES & USE TAX COMMISSION

REPORT ON STATEWIDE
AGREED-UPON PROCEDURES on COMPLIANCE and CONTROL
AREAS

FOR THE YEAR ENDED JUNE 30, 2022

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INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Members of the
Red River Parish Sales & Use Tax Commission and
The Louisiana Legislative Auditor:

We have performed the procedures enumerated in Schedule A 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, 2021 through June 30, 2022. The Commission's management is responsible for those C/C areas identified in the SAUPs.

The Commission has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2021 through June 30, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures we performed, and the associated findings are summarized in the attached Schedule A, which is an integral part of this report.

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

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

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



Baton Rouge, Louisiana
December 30, 2022

RED RIVER PARISH SALES & USE TAX COMMISSION
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
JUNE 30, 2022

Schedule A

The procedures performed and the results thereof are set forth below. The procedure is stated first, followed by the results of the procedure presented in italics. If the item being subjected to the procedures is positively identified or present, then the results will read “*no exception noted*” or for step 25 “*we performed the procedure and discussed the results with management*”. If not, then a description of the exception ensues.

A - Written Policies and Procedures

1. Obtain and inspect the entity’s written policies and procedures and observe whether they address each of the following categories and subcategories (if applicable to public funds and the entity’s operations):

a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

No exceptions noted.

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.

No exceptions noted.

c) ***Disbursements***, including processing, reviewing, and approving

No exceptions noted.

d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management’s actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

No exceptions noted.

e) ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

The Commission has written policies for Payroll/Personnel; however, the policies do not contain attribute (3) approval process for employee(s) rate 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.

No exceptions noted.

RED RIVER PARISH SALES & USE TAX COMMISSION
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
JUNE 30, 2022

Schedule A

- 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).

Not applicable as the Commission does not issue credit cards.

- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

No exceptions noted.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

No exceptions noted.

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Not applicable as the Commission does not have and historically has not had debt.

- 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.

The Commission does not have written policies for 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) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

No exceptions noted.

RED RIVER PARISH SALES & USE TAX COMMISSION
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
JUNE 30, 2022

Schedule A

B - Board or Finance Committee

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

The Commission meets quarterly and is comprised of five members. One member is selected from each of the following in accordance with a joint agreement between the agencies: Red River Parish School Board, Red River Parish Police Jury, Red River Parish Sheriff's Office, the Town of Coushatta, and the Village of Hall Summit. In the absence of a Commission member, their designee will often attend the meeting.

No exceptions noted.

- b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget- to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit 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.*

No exception noted.

- 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.

No exception noted.

C - Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

A listing of bank accounts was provided and included a total of three (3) bank accounts. Management identified the entity's main operating account. No exceptions were noted as a result of performing this procedure.

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From the listing provided, we selected the three (3) bank accounts and obtained the bank reconciliations for the month ending November 30, 2021, resulting in three (3) bank reconciliations obtained and subjected to the below procedures.

- 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);

No exceptions noted.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

No exceptions noted.

- c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

No exceptions noted.

D - Collections (excluding electronic funds transfers)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

A listing of deposit sites was provided and included a total of one (1) deposit sites. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected the one (1) deposit site and performed the procedures below.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

A listing of collection locations for each deposit site selected in procedure #4 was provided and included a total of one (1) collection location. No exceptions were noted as a result of performing this procedure.

From each of the listings provided, we selected the one (1) collection location for each deposit site. Review of the Commission's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.

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- a) Employees responsible for cash collections do not share cash drawers/registers.

No exceptions noted.

- 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.

The employee responsible for collecting cash also prepares/makes the bank deposit and reconciles collection documentation 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.

The employee responsible for collecting cash also posts collection entries to the general ledger and reconciles ledger postings to each other and the deposit.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

The employee responsible for collecting cash also reconciles cash collections to the general ledger and/or subsidiary ledgers.

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

No exceptions noted.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

We randomly selected two (2) deposit dates for each of the three (3) bank accounts selected in procedure #3. One (1) of the three (3) bank accounts selected for testing did not have deposits during the month randomly selected for procedure #3 or the entire fiscal year. One (1) of the three (3) bank accounts selected for testing only had one (1) deposit during the monthly randomly selected for procedure #3. We obtained supporting documentation for deposits for the three (3) deposits and performed the procedures below.

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- a) Observe that receipts are sequentially pre-numbered.

The Commission does not maintain sequentially pre-numbered receipts. As such, we were unable to perform the procedure.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

No exceptions noted.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

No exceptions noted.

- d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

No exceptions noted.

- e) Trace the actual deposit per the bank statement to the general ledger.

No exceptions noted.

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

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

The listing of locations that process payments for the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected the one (1) location and performed the procedures below.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

The listing of employees involved with non-payroll purchasing and payment functions for each payment processing location selected in procedure #8 was provided. No exceptions were noted as a result of performing this procedure.

Review of the Commission's written policies and procedures or inquiry with employee regarding job duties was performed in order to perform the procedures below.

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- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

We noted disbursements for three (3) funds are processed at the one (1) location identified. For one (1) of the three (3) funds, a single employee initiates purchase requests, approves purchases and is responsible for placing / making purchases.

- b) At least two employees are involved in processing and approving payments to vendors.

No exceptions noted.

- 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.

No exceptions noted.

- 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.

No exceptions noted.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

A listing of non-payroll disbursements for each payment processing location selected in procedures #8 was provided related to the reporting period. No exceptions were noted as a result of performing this procedure.

From each of the listings provided, we randomly selected 5 disbursements and performed the procedures below.

- a) Observe whether the disbursement matched the related original itemized invoice, and that supporting documentation indicates deliverables included on the invoice were received by the entity.

No exceptions noted.

- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

The Commission does not utilize purchase orders. No other exceptions were noted.

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

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

Not applicable as the Commission does not issue credit cards.

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

Not applicable as the Commission does not issue credit cards.

- a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing, 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.]

Not applicable as the Commission does not issue credit cards.

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

Not applicable as the Commission does not issue credit cards.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe 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.

Not applicable as the Commission does not issue credit cards.

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

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

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The listing of travel and travel-related expense reimbursements was provided for the fiscal period. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected five (5) reimbursements and performed the procedures below.

- a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

Of the 5 reimbursements selected for our procedures, two (2) used a per diem. No exceptions noted.

- a) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

No exceptions noted.

- b) Observe 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).

No exceptions noted.

- c) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No exceptions noted.

H - Contracts

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

An active vendor list for the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected five (5) contracts and performed the procedures below.

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

Not applicable.

- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

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We noted no exceptions for two (2) of the five (5) contracts. There was no formal/written contract supporting two (2) routine professional services contracts and one (1) software contract. As such, we were unable to perform the procedure for those contracts.

- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).

We noted no exceptions for two (2) of the five (5) contracts. There was no formal/written contract supporting three (3) of the five (5) vendors. As such, we were unable to perform the procedure for those contracts.

- 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 the invoice and related payment agreed to the terms and conditions of the contract.

We noted no exceptions for two (2) of the five (5) contracts. There was no formal/written contract supporting three (3) of the five (5) vendors. As such, we were unable to perform the procedure for those contracts. All disbursements were supported by approved invoices.

I - Payroll and Personnel

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

A listing of employees/elected officials employed during the fiscal year was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected the one (1) employee and performed the specified procedures. No exceptions noted.

17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

We randomly selected one (1) pay period during the fiscal period and performed the procedures below for the one (1) employee selected in procedure #16.

- a) Observe all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.).

No exceptions noted.

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- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.

No exceptions noted.

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

No exceptions noted.

- d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

No exceptions noted.

18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

Not applicable as there were no terminations during the fiscal period.

19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

No exceptions noted.

J - Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above obtain ethics documentation from management, and:

- a) Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

No exceptions noted.

- b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

The entity did not have any changes to the ethics policy, so this step is not applicable.

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K - Debt Service

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

Not applicable as the Commission did not issue bonds/notes in the fiscal period.

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

Not applicable as the Commission did not have any bonds/notes outstanding at the end of the fiscal period.

L - Fraud Notice

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

A listing of misappropriations of public funds and assets during the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

24. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

No exceptions noted.

M - Information Technology Disaster Recovery/Business Continuity

25. 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.

We performed the procedure and discussed the results with management.

- 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

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testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

We performed the procedure and discussed the results with management.

- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

We performed the procedure and discussed the results with management.

N - Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

The one (1) employee selected for testing did not complete sexual harassment training.

27. Observe 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).

No exceptions noted.

28. 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 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;

The Commission did not have a report with the number and percentage of public servants in the agency who have completed the training requirements during the fiscal period.

- b) Number of sexual harassment complaints received by the agency;

Not applicable as the Commission did not have any sexual harassment complaints during the fiscal period.

- c) Number of complaints which resulted in a finding that sexual harassment occurred;

Not applicable as the Commission did not have any sexual harassment complaints during the fiscal period.

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- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

Not applicable as the Commission did not have any sexual harassment complaints during the fiscal period.

- e) Amount of time it took to resolve each complaint.

Not applicable as the Commission did not have any sexual harassment complaints during the fiscal period.

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Schedule B

The Red River Parish Sales & Use Tax Commission (Commission) has provided a response and corrective action plan for the exceptions noted in Schedule A and are set forth below.

Written Policies and Procedures

The Commission plans to amend policies and procedures where applicable to address the findings noted in this section by June 30, 2023, with an emphasis on a information technology and disaster recovery policy, including back up procedures as well as testing and verifying the back up data.

Collections

The Commission has one (1) employee. Additionally, one of the members of the Commission reviews and reconciles daily sales tax collections reports to the deposits on a sample basis. The Commission will continue to utilize these mitigating controls. In addition, the Commission will perform an annual assessment of the volume and risk, as well as mitigating controls over collections to determine the need to amend policies and procedures where applicable to address the findings noted in this section. This annual assessment will be performed by June 30, 2023.

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

The Commission will perform an annual assessment of the volume and risk, as well as mitigating controls over disbursements to determine the need to shift responsibilities or add employees to segregate duties further. The Commission will document this annual assessment of the volume and risk, as well as mitigating controls over non-payroll disbursements by June 30, 2023.

Contracts

The Commission will amend policies and procedures where applicable to address the findings noted in this section and emphasize best practices on how to document contractual relationships by June 30, 2023.

Sexual Harassment

The Commission will begin generating an annual sexual harassment report by February 1 of each year and include applicable information required by R.S. 42:344.