



**Red River Delta**

**Red River Delta  
Law Enforcement Planning Council, Inc.  
Annual Financial Report  
For the Year Ended September 30, 2020**



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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Red River Delta Law Enforcement Planning Council, Inc.

We have audited the accompanying financial statements of the Red River Delta Law Enforcement Planning Council, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2020, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



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**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Red River Delta Law Enforcement Planning Council as of September 30, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

**Other Reporting Required by Government Auditing Standard**

In accordance with *Government Auditing Standards*, we have also issued our report dated February 12, 2021, on our consideration of the Red River Delta Law Enforcement Planning Council'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 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 Red River Delta Law Enforcement Planning Council's internal control over financial reporting and compliance.



Rozier, McKay & Willis  
Alexandria, Louisiana  
February 12, 2021

# **RED RIVER DELTA**

## **Statement of Financial Position September 30, 2020**

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### **Assets**

#### Current Assets

Cash and Equivalents	\$ 167,511
Accounts Receivable	26,557
Total Current Assets	<u>194,068</u>

Property and Equipment, Net	<u>178,062</u>
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Total Assets	<u><u>\$ 372,130</u></u>
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### **Liabilities and Net Assets**

#### Current Liabilities

Accounts Payable	\$ 21,297
Accrued Annual Leave	12,293
Note Payable	8,241
Total Current Liabilities	<u>41,831</u>

#### Long-Term Liabilities

Note Payable	773
Total Liabilities	<u>42,604</u>

### **Net Assets**

Without Donor Restrictions	<u>329,526</u>
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Total Liabilities and Net Assets	<u><u>\$ 372,130</u></u>
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*The accompanying notes are an integral part of the financial statements.*

# **RED RIVER DELTA**

## **Statement of Activities For the Year Ended September 30, 2020**

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	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b><u>Revenues and Other Support</u></b>			
Administrative Fee	\$ 158,969	\$ -	\$ 158,969
Government Grants	-	58,311	58,311
Membership Fees	132,500	-	132,500
Miscellaneous	2,798	-	2,798
Net Assets Released From Restrictions	58,311	(58,311)	-
Total Revenues and Other Support	<u>352,578</u>	<u>-</u>	<u>352,578</u>
<b><u>Expenses</u></b>			
Program Services			
Training	24,300	-	24,300
Crime Victims Assistance	45,822	-	45,822
Coronavirus Response	14,158	-	14,158
Total Program Services	<u>84,280</u>	<u>-</u>	<u>84,280</u>
Support Services			
Management and General	240,724	-	240,724
Total Expenses	<u>325,004</u>	<u>-</u>	<u>325,004</u>
Change in Net Assets	27,574	-	27,574
Net Assets - Beginning of Year	301,952	-	301,952
Net Assets - End of Year	<u>\$ 329,526</u>	<u>\$ -</u>	<u>\$ 329,526</u>

*The accompanying notes are an integral part of the financial statements.*

# **RED RIVER DELTA**

## **Statement of Functional Expenses For the Year Ended September 30, 2020**

	<b>Program Services</b>				<b>Support Services</b>	<b>Total Expenses</b>
	<b>Law Enforcement Training</b>	<b>Crime Victims Assistance</b>	<b>Coronavirus Emergency Response</b>	<b>Total Program Services</b>	<b>General &amp; Administrative</b>	
Personnel	-	-	-	-	77,744	77,744
Retirement Contributions	-	-	-	-	19,794	19,794
Other Benefits	-	-	-	-	4,543	4,543
Payroll Taxes	-	-	-	-	6,775	6,775
Professional Services	-	-	-	-	18,478	18,478
Travel	-	-	-	-	338	338
Interest	-	-	-	-	740	740
Depreciation	-	-	-	-	10,398	10,398
Insurance	-	-	-	-	7,159	7,159
Contract Services	-	45,822	14,158	59,980	58,661	118,641
Grants Provided to Law Enforcement Agencies	24,300	-	-	24,300	-	24,300
Utilities	-	-	-	-	6,952	6,952
Supplies	-	-	-	-	2,562	2,562
Repairs and Maintenance	-	-	-	-	21,470	21,470
Other	-	-	-	-	5,110	5,110
<b>Total</b>	<b>24,300</b>	<b>45,822</b>	<b>14,158</b>	<b>84,280</b>	<b>240,724</b>	<b>325,004</b>

*The accompanying notes are an integral part of the financial statements.*

# **RED RIVER DELTA**

## **Statement of Cash Flows For the Year Ended September 30, 2020**

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### **Cash Flows From Operating Activities**

Change in Net Assets	\$ 27,574
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities	
Depreciation	10,398
(Increase) Decrease in Accounts Receivable	(4,576)
Increase (Decrease) in Accounts Payable	12,026
Increase (Decrease) in Accrued Annual Leave	(1,432)
Net Cash Provided (Used) by Operating Activities	<u>43,990</u>

### **Cash Flows From Investing Activities**

Proceeds from Certificates of Deposit	<u>19,333</u>
Net Cash Provided (Used) by Investing Activities	<u>19,333</u>

### **Cash Flows From Financing Activities**

Repayment of Long-Term Debt	<u>(7,761)</u>
Net Cash Provided (Used) by Investing Activities	<u>(7,761)</u>

Net Increase (Decrease) in Cash and Equivalents	55,562
Cash and Equivalents - Beginning of Year	<u>111,949</u>
Cash Equivalents - End of Year	<u><u>\$ 167,511</u></u>

For the year ended September 30, 2020, there were no significant investing or financing activities that did not result in cash flows. In addition, supplemental disclosure of cash flow information is presented as follows:

Cash Paid for Income Taxes	<u>\$ -</u>
Cash Paid for Interest Expense	<u><u>\$ 740</u></u>

*The accompanying notes are an integral part of the financial statements.*



# **RED RIVER DELTA**

## **Notes to Financial Statements September 30, 2020**

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### **Note 1 – Significant Account Policies**

Red River Delta Law Enforcement Planning Council, Inc. (Red River Delta) is a nonprofit corporation. The corporation's mission is to establish a forum for persons most familiar with the problems of local law enforcement to study, address, and adopt methods, procedures and programs that will result in more efficient and effective criminal justice operations in the Central Louisiana area. In fulfilling its mission, Red River Delta affiliates with the Louisiana Commission on Law Enforcement and the Administration of Criminal Justice, as provided in Louisiana Revised Statutes.

Revenue to support Red River Delta's operations is provided by membership dues, fees for performing services and various grants.

### **Basis of Accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Under this method, revenues are recognized when earned and expenses are recorded at the time liabilities are incurred.

### **Use of 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.

### **Cash and Cash Equivalents:**

Cash and cash equivalents for the purpose of reporting cash flows consist of bank deposits and highly liquid investments with original maturities of three months or less.

### **Property and Equipment**

Property and equipment are recorded at cost on the date of acquisition. Depreciation is computed using the straight-line method over estimated useful lives. Buildings and improvements are depreciated over estimated useful lives of 40 years. Equipment, furniture and fixtures are depreciated over estimated useful lives of 5 to 7 years. There are no significant amounts of property and equipment subject to donor imposed restrictions or time limits.

### **Donated Services and In-Kind Support**

Red River Delta does not typically utilize donated services in performing its mission. Any noncash donations are recorded as contributions at the estimated fair value determined at the date of the donations.

# **RED RIVER DELTA**

## **Notes to Financial Statements September 30, 2020**

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### Income Taxes

The Red River Delta has received a determination letter from the Internal Revenue Service stating that it is exempt from income taxes. In addition, it is also exempt from taxes which apply to private foundations.

### Accrued Leave

Red River Delta provides a leave policy that allows accumulation of unused annual leave that is carried forward each year. Upon separation of employment, Red River Delta will pay up to three hundred hours of unused accumulated annual leave. The remainder of unused annual leave and all sick leave is canceled.

### Restricted Contributions

Grant funds awarded to Red River Delta are typically subject to restrictions and are reported as donor restricted when the funds are earned.

### **Note 2 – Cash and Equivalents**

Details regarding cash equivalents are provided as follows:

Deposits in Financial Institutions	\$ 66,908
Cash Equivalents	<u>100,603</u>
Total	<u>\$ 167,511</u>

### Deposits in Financial Institutions

Deposits in financial institutions totaled \$72,471 (collected book balance). These deposits are fully protected from risk by Federal Deposit Insurance.

### Cash Equivalents

Cash equivalents consist entirely of amounts invested in the Louisiana Asset Management Pool (LAMP). LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA – R.S. 33:2955.

LAMP is an external investment pool that, to the extent practical, invests in a manner consistent with Generally Accepted Accounting Principles for investment pools. The following facts are relevant for investment pools:

- Credit risk: LAMP is rated AAA by Standard & Poor's.
- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's

# **RED RIVER DELTA**

## **Notes to Financial Statements September 30, 2020**

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investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.
- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investments is 50 days as of September 30, 2020.
- Foreign currency risk: Not applicable.

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the positions in the external investment pool is the same as the net asset value of the pool shares.

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority. Level 2 inputs consist of observable inputs other than quoted prices for identical assets. Level 3 inputs are unobservable and have the lowest priority. The valuation techniques utilized by LAMP are considered Level 2 inputs.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

### **Note 3 – Receivables**

Receivables are limited to amounts earned under grant arrangements awarded by the State of Louisiana. Due to the nature of these receivables, no collection problems are anticipated.

### **Note 4 – Property and Equipment**

Property and equipment utilized in Red River Delta's operations are summarized as follows:

Furniture, Fixtures and Equipment	\$	20,169
Vehicles		31,662
Buildings		121,173
Land		119,348
Accumulated Depreciation		<u>(114,290)</u>
Furniture, Fixtures and Equipment (Net)	\$	<u>178,062</u>

Depreciation expense for the year ended September 30, 2020 totaled \$10,398.

# **RED RIVER DELTA**

## **Notes to Financial Statements September 30, 2020**

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### **Note 5 – Notes Payable**

Notes payable consist of a bank loan dated October 3, 2011 in the original amount of \$66,559. Principal and interest are payable in 120 monthly installments of \$708 with the final installment due October 3, 2021. Interest accrues at an annual rate of 5.0%. The loan is secured by a collateral mortgage on land and buildings described in the property and equipment note. Scheduled maturities are summarized as follows:

<u>Fiscal Year Ending September 30<sup>th</sup>:</u>	
2021	\$ 8,241
2022	<u>773</u>
Total	9,014
Current Portion	<u>8,241</u>
Long Term Portion	<u>\$ 773</u>

For the year ended September 30, 2020 interest expense totaled approximately, \$740.

### **Note 6 - Managements' Review**

Management has evaluated subsequent events through February 12, 2021, which is the date the financial statements were available to be issued. There were no subsequent events that require recording or disclosure in the financial statements.

### **Note 7 – Retirement Plan**

Employees that meet certain criteria are eligible to participate in a defined contribution retirement plan. Employer contributions for the year ended September 30, 2020 totaled \$19,794.

### **Note 8 – Grant Contingencies**

Red River Delta participates in certain programs that are supported by grant funds. Management is confident that all significant grant conditions have been met; however, grantor agencies routinely review grant activity and could request reimbursement if a dispute occurs regarding compliance with grant conditions.

### **Note 9 – Liquidity and Availability of Financial Assets**

With the exception of property and equipment, essentially all of the Agency's assets are of a financial nature. Liquidity is provided by maintaining a significant cash reserve on deposit with a regulated financial institution. In addition, the Agency has an established membership base and ongoing contractual arrangements with affiliates that are expected to provide sufficient resources to meet cash needs for general expenditure during the subsequent period.



February 12, 2021

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

To the Board of Directors  
Red River Delta Law Enforcement Planning Council, Inc.

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 Red River Delta Law Enforcement Planning Council, Inc., (a nonprofit organization), which comprise the statement of financial position as of September 30, 2020, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 12, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Red River Delta Law Enforcement Planning Council's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Planning Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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.



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# Red River Delta

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## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Red River Delta's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

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



ROZIER, MCKAY & WILLIS  
CERTIFIED PUBLIC ACCOUNTANTS  
ALEXANDRIA, LOUISIANA

# **RED RIVER DELTA**

**Schedule of Findings  
September 30, 2020**

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## **Part I - Summary of Auditor's Results:**

- The Independent Auditor's Report on the financial statements for the Red River Delta Law Enforcement Planning Council as of September 30, 2020 and for the year then ended expressed an unmodified opinion.
- No control deficiencies were disclosed during the audit of the financial statements. Accordingly, there were no material weaknesses.
- No instances of noncompliance material to the financial statements of the Planning Council were disclosed during the audit.

## **Part II - Findings Relating to the Financial Statements Which are Required to be Reported in Accordance with Generally Accepted Governmental Auditing Standards:**

None

# **RED RIVER DELTA**

**Management's Corrective Action Plan  
September 30, 2020**

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No findings were reported in connection with this engagement.



# **RED RIVER DELTA**

## **Schedule of Prior Year Findings September 30, 2020**

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No findings were reported in connection with this previous engagement.

# **RED RIVER DELTA**

## **Schedule of Compensation, Benefits, and Other Payments to Chief Executive Officer For the Year Ended September 30, 2020**

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	<u>Kenneth Walker Executive Director</u>
Salary	79,176
Benefits	
Insurance	4,543
Retirement	19,794
Vehicle	-
Other	-
Reimbursements	-