

**LOUISIANA CEMETERY BOARD
STATE OF LOUISIANA**

Agreed-Upon Procedures

For the Year Ending December 31, 2023

**LOUISIANA CEMETERY BOARD
STATE OF LOUISIANA**

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INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors
Louisiana Cemetery Board
Metairie, Louisiana

We have performed the procedures enumerated below as they are a required part of the engagement. We are required to perform each procedure and report the results, including any exceptions. Management is required to provide a corrective action plan that addresses all exceptions noted. For any procedures that do not apply, we have marked “not applicable.”

Management of the Louisiana Cemetery Board, is responsible for its financial records, establishing internal controls over financial reporting, and compliance with applicable laws and regulations. These procedures were agreed to by management of the Board and the Legislative Auditor, State of Louisiana, solely to assist the users in assessing certain controls and in evaluating management's assertions about the Board's compliance with certain laws and regulations during the period of January 1, 2023 thru December 31, 2023.

This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Written Policies and Procedures

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

- d) *Receipts/Collections*, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue (e.g. periodic confirmation with outside parties, reconciliation of receipt number sequences, reasonableness of cash collections based on licenses issued).
- e) *Payroll/Personnel*, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- f) *Contracting*, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) *Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)*, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g. determining the reasonableness of fuel card purchases).
- h) *Travel and expense reimbursement*, including (1) allowable expenses, (2) dollar thresholds by category of expense, (2) documentation requirements, (3) timeframe in which requests must be submitted and (4) required approvers.
- i) *Ethics*, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees annually attest through signature verification that they have read the entity's ethics policy.
- j) *Debt Service*, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) *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.

Results:

For procedures a), c), d), e), f), h), and j), procedures performed without exception.

For procedure b) the Board's written policy did not address how vendors are added to the vendor list, and documentation required to be maintained for all bids and price quotes.

For procedure g), the Board's written policy did not address documentation requirements, required approvers of statements, and monitoring card usage.

For procedure i), the Board's written policy did not address actions to be taken if an ethics violation takes place, system to monitor possible violations, and requirement that all employees annually attest through signature verification that they have read the entity's ethics policy.

For procedure k), the Board's written policy did not address periodic testing/verification that backups can be restored, use of antivirus software on all systems, and timely application of all available system and software patches/updates.

Annual Fiscal Report (AFR)

2. Obtain the financial statements from the AFR submitted to the Division of Administration's (DOA) Office of Statewide Reporting and Accounting Policy for the current and prior periods. Perform analytical procedures comparing current and prior period amounts, by line item. Report any variances of 10% or greater for line items that are 10% or more of the respective total assets/deferred outflows of resources, liabilities/deferred inflows of resources, net position, revenues, or expenses, and management's explanation of the variance.

Results:

We obtained the 2022 and 2023 financial statements from the AFR submitted to the DOA and noted the following variances that met the criteria described above:

- *Cash decreased by \$202,266 or 66.8%. The decrease is due to purchasing new investments.*
- *Investments increased by \$288,965 or 231.3%. The increase was due purchasing new investments.*
- *Pension related deferred outflows increased by \$35,174 or 45.7%. The increase was due to changes in the actuarial estimate of the pension deferred outflows.*
- *Non-current portion of OPEB liability decreased by \$79,628 or 26.2%. This was due to changes in the actuarial estimate of the OPEB liability.*
- *Revenue from Licenses, Permits, and Fees increased by \$99,143 or 21.9%. This was due to an increase in the number of licenses.*
- *Administrative expenses decreased by \$62,350 or 17.1%. The decrease was due to a decrease in pension expense.*

Board Meetings/Minutes

3. Obtain and inspect the board minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.
 - b) Observe that the minutes referenced or included monthly budget-to-actual comparisons.
 - c) Access the entity's online information included in the DOA's boards and commissions database (<https://wwwcfprd.doa.louisiana.gov/boardsandcommissions/home.cfm>) and observe that the entity submitted board meeting minutes for all meetings during the fiscal period.

Results:

Procedure performed without exception.

Bank Reconciliations

4. Obtain a listing of bank accounts for the fiscal period from management and management's representation that the listing is complete. For each of the bank accounts in the listing provided by

management, obtain bank statements and reconciliations for all months in the fiscal period and observe that:

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged).
- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged).
- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months at the statement closing date.
- d) The reconciled balance for the final month of the fiscal period agrees to the general ledger.

Results:

Procedures b) and c) were performed without exception.

For procedure a), there was no evidence the reconciliation was prepared within 2 months of the statement closing date.

For procedure d), the reconciled balance for the final month did not agree to the general ledger.

Receipts/Collections

5. Obtain and inspect written policies and procedures relating to employees' job duties (if no written policies or procedures, inquire of employees about their job duties), and observe that job duties for collections are properly segregated such that:
 - a) 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 or license applications received) to the deposit.
 - b) 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.
 - c) The employee(s) responsible for /reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source are not responsible for collecting cash, unless another employee verifies the reconciliation.

Results:

Procedure performed without exception.

6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

Results:

Procedure performed without exception.

7. Randomly select 5 deposit dates for each of the bank accounts (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 5 deposits for each bank account and:

- a) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- b) Trace the deposit slip total to the actual deposit per the bank statement.
- c) Observe that the deposit was made within one business day of collection (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
- d) Trace the actual deposit per the bank statement to the general ledger.

Results:

Procedures a), b), and d) were performed without exception.

For procedure c), four deposits were not made within one business day of collection.

8. Obtain and inspect written policies and procedures (if no written policies and procedures, inquire to management) and observe that there is a process performed to determine completeness of all collections, including electronic transfers, for each revenue source (e.g. periodic confirmation with outside parties, reconciliation of receipt number sequences, reasonableness of cash collections based on licenses issued) by a person who is not responsible for collections.

Results:

Procedure performed without exception.

9. For licensing boards, obtain a list of initial and renewal licenses granted during the period from management and management's representation that the listing is complete. Randomly select 10 individual applicants from the listing and obtain the supporting documentation (e.g. application, copy of check) from management and:
 - a) Observe that the fee paid for license was the appropriate fee based on the applicable fee schedule established by the board or statute.
 - b) If a penalty was assessed (e.g. late fee), observe that the penalty was assessed and collected in accordance with the board's policies.

Results:

Procedure performed without exception.

10. For licensing boards, obtain and inspect the board's written policies and procedures for granting licenses (if no written policies and procedures, inquire to management) and observe that there is a process performed to ensure licensees meet the licensure requirements established by the board or statute, as applicable. For the 10 individual applicants selected in the previous step that were granted initial or renewal licenses during the period, request the supporting documentation (e.g. licensee file) from management and:
 - a) Observe that the board followed the established process to issue or renew the license.

- b) Observe the documentation contains evidence that the licensee meets or continues to meet (if renewal) the licensure requirements established by the board or statute, as applicable.
- c) Observe that the license was granted or approved by the board or the designated board member(s), as applicable.

Results:

Procedure performed without exception.

- 11. For levee districts, obtain independent confirmation of the tax amounts received from the appropriate parish Sherriff's offices. Observe that the confirmed amount agrees to the amount deposited by levee district.

Results:

Not applicable.

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

- 12. Obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employees' job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

Results:

Procedure performed without exception.

- 13. Obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements which are addressed in separate sections below) and obtain management's representation that the population is complete. Randomly select 5 disbursements, obtain supporting documentation (e.g. purchase requisition, invoices, receipts, receiving slips) for each transaction and:

Select random 5 expenses from the Expense Detail

- a) Observe that the disbursement matched the related original invoice/billing statement.
- b) Observe that the disbursement documentation included evidence (e.g. initial/date, electronic logging) of segregation of duties tested under #12, as applicable.

Results:

Procedure performed without exception.

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

14. 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. Randomly select 2 monthly statements or combined statements for each card (for a debit card, randomly select 2 monthly bank statements), obtain supporting documentation, and:
- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g. original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.
 - b) Observe that finance charges and late fees were not assessed on the selected statements.

Results:

Procedure performed without exception.

15. Obtain supporting documentation for all transactions included on the monthly statements or combined statements selected in #14 above. For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Results:

Procedure performed without exception.

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

16. Obtain from management a listing of all travel and travel-related expense reimbursements paid to employees and board members during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana in PPM49 (<https://www.doa.la.gov/pages/osp/travel/TravelPolicy.aspx>) or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results:

Procedure performed without exception.

Contracts

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

Results:

Procedure performed without exception.

Payroll and Personnel

- 18. Obtain a listing of employees employed during the fiscal period, and management's representation that the listing is complete. Randomly select 5 employees (or select all employees if less than 5), obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Results:

Procedure performed without exception.

- 19. Randomly select 2 pay periods during the fiscal period. For the employees selected under #17 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe that all selected employees documented their daily attendance and leave (e.g., vacation, sick, compensatory).
 - b) Observe that supervisors approved the attendance and leave of the selected employees.

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

Results:

Procedure performed without exception.

20. Obtain a listing of those employees that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select 2 employees, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employees' cumulative leave records, and agree the pay rates to the employees' authorized pay rates in the employees' personnel files.

Results:

Procedure performed without exception.

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

Results:

Procedure performed without exception.

Ethics

22. Using the 5 randomly selected employees from procedure #18 under "Payroll and Personnel" above obtain ethics documentation from management, and:
 - a) Observe that the documentation demonstrates each employee completed one hour of ethics training during the fiscal period.
 - b) Observe that the documentation demonstrates each employee attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

Results:

Procedure a) was performed without exception.

For procedure b), employees did not attest through signature he or she has read the entity's ethics policy during the fiscal period.

23. Obtain a listing of board members from management. Randomly select 5 board members and observe documentation to demonstrate that required annual ethics training was completed

Results:

Procedure performed without exception.

Budget

24. Obtain a copy of the legally adopted budget, including all amendments, and the board minutes. Observe the minutes contain approval of the budget and amendments.

Results:

Procedure performed without exception.

25. Compare the total revenues and total expenditures of the final budget to actual total revenues and total expenditures on the financial statements or AFR. Report variances of 10% or greater.

Results:

Procedure performed without exception.

26. Inquire of management whether the entity has updated its budget information in the DOA's boards and commissions database referred to in #3 above for the current fiscal period (i.e. period covered in these procedures). Access the online database and obtain the budget information for the current fiscal period. Observe that the budget information contained in the database agrees to the budget adopted by the entity's board.

Results:

The budget information in the DOA's database did not agree to the amended budget adopted by the board.

Debt Service

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

Results:

Not applicable.

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

Results:

Not applicable.

Sexual Harassment

29. Obtain and inspect the entity's written sexual harassment policies and procedures and observe that they address all requirements of R.S. 42:342-344, including agency responsibilities and prohibitions; annual employee training; and annual reporting requirements.

Results:

Procedure performed without exception.

30. Obtain a listing of employees/board members employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/board members, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/board member completed at least one hour of sexual harassment training during the calendar year.

Results:

No board members completed the sexual harassment training during the calendar year.

31. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

Results:

The policy and complaint procedure was not on the website.

32. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that it includes the applicable requirements of R.S. 42:344.

Results:

The Board did not prepare the annual sexual harassment report.

Other

33. 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.

Results:

Not applicable.

34. 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. This notice is available for download or print at www.la.gov/hotline.

Results:

Procedure performed without exception.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Board and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Griffin & Furman, LLC

June 4, 2024

**LOUISIANA CEMETERY BOARD
STATE OF LOUISIANA**

Schedule of Findings

For the Year Ended December 31, 2023

2023-1 – Written Policies and Procedures – Purchasing

Procedure: Obtain and inspect the entity’s written policies and procedures related to purchasing and observe that it addresses (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 or state purchasing rules and regulations, as applicable to the entity; and (5) documentation required to be maintained for all bids and price quotes.

Finding: *The Board’s written policy did not address how vendors are added to the vendor list, and documentation required to be maintained for all bids and price quotes.*

Recommendation: *We recommend the Board revise the policy to address how vendors are added to the vendor list and documentation required to be maintained for all bids and price quotes.*

2023-2 – Written Policies and Procedures – Credit Cards

Procedure: Obtain and inspect the entity’s written policies and procedures related to purchasing and observe that it addresses (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).

Finding: *The Board’s written policy did not address documentation requirements, required approvers of statements, and monitoring card usage.*

Recommendation: *We recommend the Board revise the policy to address how documentation is required, who required approvers of statements are, and how to monitor card usage.*

2023-3 – Written Policies and Procedures – Ethics

Procedure: Obtain and inspect the entity’s written policies and procedures related to purchasing and observe that it addresses (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees annually attest through signature verification that they have read the entity’s ethics policy.

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Finding: *The Board's written policy did not address actions to be taken if an ethics violation takes place, system to monitor possible violations, and requirement that all employees annually attest through signature verification that they have read the entity's ethics policy.*

Recommendation: *We recommend the Board revise the policy to address actions to be taken if an ethics violation takes place, system to monitor possible ethics violations, and requirement that all employees annually attest through signature verification that they have read the entity's ethics policy.*

2023-4 – Written Policies and Procedures – Disaster Recovery/Business Continuity

Procedure: Obtain and inspect the entity's written policies and procedures related to disaster recovery/business continuity and observe that it addresses (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.

Finding: *The Board's written policy did not address periodic testing/verification that backups can be restored, use of antivirus software on all systems, and timely application of all available system and software patches/updates.*

Recommendation: *We recommend the revise the policy to address periodic testing/verification that backups can be restored, use of antivirus software on all systems, and timely application of all available system and software patches/updates.*

2023-5 – Bank Reconciliations

Procedure: Obtain a listing of bank accounts for the fiscal period from management and management's representation that the listing is complete. For each of the bank accounts in the listing provided by management, obtain bank statements and reconciliations for all months in the fiscal period and observe that:

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged).
- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged).

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- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months at the statement closing date.
- d) The reconciled balance for the final month of the fiscal period agrees to the general ledger.

Finding: For procedure a), there was no evidence the reconciliation was prepared within 2 months of the statement closing date. For procedure d) the reconciled balance for the final month did not agree to the general ledger.

Recommendation: We recommend the Board include evidence that reconciliations were prepared within 2 months of the closing statement date, and the reconciled balance agrees to the general ledger.

2023-6 – Receipts/Collections

Procedure: Randomly select 5 deposit dates for each of the bank accounts (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 5 deposits for each bank account and:

- a) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- b) Trace the deposit slip total to the actual deposit per the bank statement.
- c) Observe that the deposit was made within one business day of collection (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
- d) Trace the actual deposit per the bank statement to the general ledger.

Finding: For procedure c), four deposits were not made within one business day of collection.

Recommendation: We recommend the Board deposit collections within one business day of collection.

2023-7 – Ethics

Procedure: Using the 5 randomly selected employees from procedure #18 under “Payroll and Personnel” above: obtain ethics documentation from management, and:

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- c) Observe that the documentation demonstrates each employee completed one hour of ethics training during the fiscal period.

Observe that the documentation demonstrates each employee attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

***Finding:** For procedure b), employees did not attest through signature he or she has read the entity's ethics policy during the fiscal period.*

***Recommendation:** We recommend the Board ensure each employee attest through signature that the Board's ethics policy has been read.*

2023-8 – Budget

***Procedure:** Inquire of management whether the entity has updated its budget information in the DOA's boards and commissions database referred to in #3 above for the current fiscal period (i.e. period covered in these procedures). Access the online database and obtain the budget information for the current fiscal period. Observe that the budget information contained in the database agrees to the budget adopted by the entity's board.*

***Finding:** The budget information in the DOA's database did not agree to the amended budget adopted by the board.*

***Recommendation:** We recommend the Board ensure the DOA database is updated regularly.*

2023-9 – Sexual Harassment

***Procedure:** Obtain a listing of employees/board members employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/board members, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/board member completed at least one hour of sexual harassment training during the calendar year.*

***Finding:** No board members completed the sexual harassment training during the calendar year.*

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For the Year Ended December 31, 2023

***Recommendation:** We recommend the Board ensure that all board members and employees complete their sexual harassment training each year.*

2023-10 – Sexual Harassment

***Procedure:** Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity’s premises if the entity does not have a website).*

***Finding:** The policy and complaint procedure was not on the website.*

***Recommendation:** We recommend the Board add the policy and complaint procedure are on the entity’s website.*

2023-11 – Sexual Harassment

***Procedure:** Obtain the entity’s annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that it includes the applicable requirements of R.S. 42:344.*

***Finding:** The Board did not prepare the annual sexual harassment report.*

***Recommendation:** We recommend the Board complete the annual sexual harassment report before February 1st of every year.*



Jeff Landry
Governor

STATE OF LOUISIANA

LOUISIANA CEMETERY BOARD

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Jerry W. Sullivan
Director

June 4, 2024

Griffin & Furman, LLC
205 E. Lockwood St.
Covington, LA 70433

Re: FY 2023 Agreed Upon Procedures Schedule of Findings

Dear Mr. Furman:

In response to the above referenced Schedule of Findings, the Louisiana Cemetery Board acknowledges the findings and agrees to take the following corrective actions.

2023-1 – Written Policies and Procedures - Purchasing

Procedure: Obtain and inspect the entity's written policies and procedures related to purchasing and observe that it addresses (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 or state purchasing rules and regulations, as applicable to the entity; and (5) documentation required to be maintained for all bids and price quotes.

Finding: The Board's written policy did not address how vendors are added to the vendor list, and documentation required to be maintained for all bids and price quotes.

Recommendation: We recommend the Board revise the policy to address how vendors are added to the vendor list and documentation required to be maintained for all bids and price quotes.

Louisiana Cemetery Board corrective action: The Louisiana Cemetery Board has a minimal number of vendors outside of its IT support, office supply vendor, Cox Cable for internet, and state telephones. No other vendor services are required for the staff to operate. If purchases are made for equipment, all guidelines issued by the State Office of Procurement are complied with. Therefore, we believe a revised policy is not needed at this time.

2023-2 – Written Policies and Procedures – Credit Cards

Procedure: Obtain and inspect the entity's written policies and procedures related to purchasing and observe that it addresses (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).

Finding: The Board's written policy did not address documentation requirements, required approvers of statements, and monitoring card usage.

Recommendation: We recommend the Board revise the policy to address how documentation is required, who required approvers of statements are, and how to monitor card usage.

Louisiana Cemetery Board corrective action: Credit Card usage is governed by the LCB Policies and Procedures Section 2(4). The Louisiana Cemetery Board prohibits the use of credit cards for personal non-reimbursable expenses. Credit card expenditures are reviewed and approved, in writing, by the Board Treasurer upon receipt of proper documentation in support of such expenditures, prior to payment. Therefore, Louisiana Cemetery Board does not believe a revised policy is necessary and not will propose an amendment to Section 2(4) at this time unless warranted at a later date.

2023-3 – Written Policies and Procedures – Ethics

Procedure. Obtain and inspect the entity's written policies and procedures related to purchasing and observe that it addresses (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees annually attest through signature verification that they have read the entity's ethics policy.

Finding: The Board's written policy did not address actions to be taken if an ethics violation takes place, system to monitor possible violations, and requirement that all employees annually attest through signature verification that they have read the entity's ethics policy.

Recommendation: We recommend the Board revise the policy to address actions to be taken if an ethics violation takes place, system to monitor possible ethics violations, and requirement that all employees annually attest through signature verification that they have read the entity's ethics policy.

Louisiana Cemetery Board corrective action: Ethics Violations are governed by state law. Possible violations are automatically forwarded to the Louisiana Ethics Administration for review and consideration. Pursuant to the Board's Policies and Procedures, all employees and board members are required to complete Ethics Training each year, and submit evidence of completion. A recommendation will be made to the Board to establish a policy regarding annual reports by the Director of any possible ethical violations, whether reported or pending, and requiring all staff and Board

Members to attest that he/she is not subject to any conflict of interest or has received anything of value in violation of Louisiana Ethics laws from a party subject to the jurisdiction of the Board. Pursuant to law, these records will be kept confidential. Further, a recommendation to the Board to adopt a policy for employee annual signature acknowledging their review of these ethics policies will be made at the next regular Board meeting.

2023-4 – Written Policies and Procedures - Disaster Recovery/Business Continuity

Procedure: Obtain and inspect the entity's written policies and procedures related to disaster recovery/business continuity and observe that it addresses (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.

Finding: The Board's written policy did not address periodic testing/verification that backups can be restored, use of antivirus software on all systems, and timely application of all available system and software patches/updates.

Recommendation: We recommend the revise the policy to address periodic testing/verification that backups can be restored, use of antivirus software on all systems, and timely application of all available system and software patches/updates.

Louisiana Cemetery Board corrective action: The Louisiana Cemetery Board recently approved its Disaster Recovery/Business Interruption policy following the most recent Louisiana Legislative Audit in 2023. Currently, the Board's IT specialist provides weekly backup reports. Staff will meet with its IT specialist to determine what amendments, if any, are needed to its current policy relative to the above recommendation.

2023-5 – Bank Reconciliations

Procedure: Obtain a listing of bank accounts for the fiscal period from management and management's representation that the listing is complete. For each of the bank accounts in the listing provided by management, obtain bank statements and reconciliations for all months in the fiscal period and observe that:

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged).
- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged).
- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months at the statement closing date.
- d) The reconciled balance for the final month of the fiscal period agrees to the general ledger.

Finding: For procedure a), there was no evidence the reconciliation was prepared within 2 months of the statement closing date. For procedure d), the reconciled balance for the final month does not agree to the general ledger.

Recommendation: We recommend the Board include evidence that reconciliations were prepared within 2 months of the closing statement date, and the reconciled balance agree to the general ledger.

Louisiana Cemetery Board corrective action: Guidelines for the completion of Bank Reconciliations and the preparation of Financial Statements are set forth in Section 2, Subsection 5(c) of the Louisiana Cemetery Board Policies and Procedures. All bank statements are reviewed by the Director, and reconciliations are completed by another staff member. Once completed, usually within a matter of days following receipt of the bank statements, they are forwarded to the Secretary/Treasurer of the Board, along with current monthly financial statements for review. In 2023, as a result of the untimely illness and death of the Assistant Director, a deviation from the policy did occur. Additionally, in response to a previous audit finding and response, reconciliations for several months in 2023 were re-reconciled and completed by the Board's outside accountant. Once the accountant completed his correcting entries and reconciliations and the staff resumed original levels of employment, the task was taken back in-house and they are completed timely. Lastly, it is important to note that the original 2023 reconciliations were completed timely until the Board's outside accountant began his review pursuant to a previous audit finding and response. The re-reconciled, as corrected, 2023 bank statements, rather than the original reconciliations, were provided for this audit, which did not reflect timely completion because they were re-reconciled outside of the appropriate time frame.

2023-6 – Receipts/Collections

Procedure. Randomly select 5 deposit dates for each of the bank accounts (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 5 deposits for each bank account and:

- a) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- b) Trace the deposit slip total to the actual deposit per the bank statement.
- c) Observe that the deposit was made within one business day of collection (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
- d) Trace the actual deposit per the bank statement to the general ledger.

Finding: For procedure c), four deposits were not made within one business day of collection.

Recommendation. We recommend the Board deposit collections within one business day of collection.

Louisiana Cemetery Board corrective action: Deposits are made in accordance with the Louisiana Cemetery Board Policies and Procedures Section 2(3)(d), which requires deposits be made within two business days of receipt. On a rare occasion, deposits may be delayed beyond that, due to holidays, staffing, workloads, and mail not being delivered until late afternoon. If so, they remain in a secure location until they can be made.

2023-7 – Ethics

Procedure: Using the 5 randomly selected employees from procedure #18 under “Payroll and Personnel” above, obtain ethics documentation from management, and:

a) Observe that the documentation demonstrates each employee completed one hour of ethics training during the fiscal period.

Observe that the documentation demonstrates each employee attested through signature verification that he or she has read the entity’s ethics policy during the fiscal period.

Finding: For procedure b), employees did not attest through signature he or she has read the entity’s ethics policy during the fiscal period.

Recommendation: We recommend the Board ensure each employee attest through signature that the entity’s ethics policy has been read.

Louisiana Cemetery Board corrective action: The Louisiana Cemetery Board is unaware that a specific Ethics policy was required of it, and this has not been a finding in previous audits. Rather, all staff receive Ethics Training yearly through the Louisiana Ethics Administration and each staff member must provide evidence of the completion of such training annually. Because this training is mandated by law and results in an annual certification from the Louisiana Ethics Administration, the Louisiana Cemetery Board does not intend to modify any of its legally-required ethics training and certification requirements.

2023-8 – Budget

Procedure: Inquire of management whether the entity has updated its budget information in the DOA’s boards and commissions database referred to in #3 above for the current fiscal period (i.e. period covered in these procedures). Access the online database and obtain the budget information for the current fiscal period. Observe that the budget information contained in the database agrees to the budget adopted by the entity’s board.

Finding: The budget information in the DOA’s database did not agree to the amended budget adopted by the board.

Recommendation: We recommend the Board ensure the DOA database is updated regularly.

Louisiana Cemetery Board corrective action: Actual financial statements are entered into the Boards and Commissions website following the completion of the calendar/fiscal year. Amended Budgets are adopted six to eight weeks prior to the conclusion of the calendar/fiscal year and may deviate from actual, although without significant variations. Example, when the adopted 2024 Budget was entered into the website in early 2024, the actual 2023 income and expenses (not the amended 2023 budget) were entered into the website.

2023-9 – Sexual Harassment

Procedure: Obtain a listing of employees/board members employed during the fiscal period and management’s representation that the listing is complete. Randomly select 5 employees/board members, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/board member completed at least one hour of sexual harassment training during the calendar year.

Finding: No board members completed the sexual harassment training during the calendar year.

Recommendation: We recommend the Board ensure that all board members and employees complete their sexual harassment training.

Louisiana Cemetery Board corrective action: All staff members complete Sexual Harassment training annually and provide evidence of satisfactory completion of such training. It is admitted that Board members were unable to participate in Sexual Harassment Training due to difficulty in logging in for the course. Staff is investigating the matter further to determine how board members may secure Sexual Harassment Training annually.

2023-10 – Sexual Harassment

Procedure: Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity’s premises if the entity does not have a website).

Finding: The policy and complaint procedure was not on the website.

Recommendation: We recommend the Board add the policy and complaint procedure are on the entity’s website.

Louisiana Cemetery Board corrective action: The Policy and Procedure for Sexual Harassment will be added to the website, together with complaint procedures.

2023-11 – Sexual Harassment

Procedure: Obtain the entity’s annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that it includes the applicable requirements of R.S. 42:344.

Finding: The Board did not prepare the annual sexual harassment report.

Recommendation: We recommend the Board complete the annual sexual harassment report before February 1.

Louisiana Cemetery Board corrective action: Neither the Louisiana Cemetery Board nor its staff were aware that such a report was due, but one will be completed on an annual basis going forward.

Following your review of these responses, please do not hesitate to contact me to discuss any finding or response thereto in greater detail.

Yours very truly,

LOUISIANA CEMETERY BOARD

A handwritten signature in blue ink, appearing to read "Jerry W. Sullivan". The signature is fluid and cursive, with a long horizontal line extending to the right.

Jerry W. Sullivan
Director

**LOUISIANA CEMETERY BOARD
STATE OF LOUISIANA**

Status of Prior Year Findings

December 31, 2023

2022-1 – Written Policies and Procedures - Disaster Recovery/Business Continuity

Procedure: Obtain and inspect the entity’s written policies and procedures related to purchasing and observe that it addresses (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 or state purchasing rules and regulations, as applicable to the entity; and (5) documentation required to be maintained for all bids and price quotes.

Finding: *The Board does not have a written policy and procedures for disaster recovery/business continuity.*

Status: *Partially resolved.*

2022-2 – Bank Reconciliations

Procedure: Obtain a listing of bank accounts for the fiscal period from management and management’s representation that the listing is complete. For each of the bank accounts in the listing provided by management, obtain bank statements and reconciliations for all months in the fiscal period and observe that 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, and the reconciled balance for the final month of the fiscal period agrees to the general ledger.

Finding: *The Board did not ensure bank reconciliations were properly prepared and reviewed. Additionally, the bank reconciliations did not balance and contained unexplained differences between the bank balance and the general ledger.*

Status: *Unresolved*

2022-3 – Credit Cards

Procedure: Obtain supporting documentation for all transactions included on the monthly statements or combined statements selected in #13 above. For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

Finding: *The Board charged the Board credit card for four lunches that appeared to have no public purpose.*

Status: *Resolved*

**LOUISIANA CEMETERY BOARD
STATE OF LOUISIANA**

Status of Prior Year Findings

December 31, 2023

2022-4 – Contracts

Procedure: Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. 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 observe that the contract was bid in accordance with the Louisiana Procurement Code or the Louisiana Public Bid Law, if required by law.

Finding: *The Board did not obtain an appropriate approved contract for a vendor.*

Status: *Resolved*

2022-5 – Sexual Harassment

Procedure: Obtain a listing of employees/board members employed during the fiscal period and management’s representation that the listing is complete. Randomly select 5 employees/board members, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/board member completed at least one hour of sexual harassment training during the calendar year.

Finding: *No board members had completed annual sexual harassment training.*

Status: *Unresolved*

2022-6 – Sexual Harassment

Procedure: Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity’s premises if the entity does not have a website).

Finding: *The Board’s website did not included its sexual harassment policy or complaint procedures..*

Status: *Unresolved*

2022-7 – Sexual Harassment

Procedure: Obtain the entity’s annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that it includes the applicable requirements of R.S. 42:344

Finding: *The Board did not complete a report.*

Status: *Unresolved*