

THE ASSIST AGENCY, INC.

**BASIC FINANCIAL STATEMENTS AND
AUDITORS' REPORT**

FOR THE YEAR ENDED DECEMBER 31, 2023



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Langley, Williams
& Company, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

LESTER LANGLEY, JR.
DANNY L. WILLIAMS
PHILLIP D. ABSHIRE, JR.
DAPHNE BORDELON BERKEN

NICHOLAS J. LANGLEY
PHILLIP D. ABSHIRE, III
SARAH CLARK WERNER
ALEXIS H. O'NEAL
JESSICA LOTT-HANSEN

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
The ASSIST Agency, Inc.
Crowley, Louisiana

Opinion

We have audited the accompanying financial statements of The ASSIST Agency, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of The ASSIST Agency, Inc. as of December 31, 2023, 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.

Basis for Opinion

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 ASSIST Agency, Inc. 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 ASSIST Agency, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 opinion. 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 ASSIST Agency'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 ASSIST Agency'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.

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 is presented for purposes of additional analysis and is not a required part of the 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 Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2024, on our consideration of The ASSIST Agency, Inc.'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 ASSIST Agency'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 ASSIST Agency's internal control over financial reporting and compliance.

Joyly Williams Co., LLP

Lake Charles, Louisiana
June 25, 2024

THE ASSIST AGENCY, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 661,199
Unconditional promises to give	21,956
Other current assets	5,144
Land held for sale	28,393
Total current assets	716,692

FIXED ASSETS

Property and equipment, net of accumulated depreciation	17,119
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OTHER ASSETS

Notes receivable, net of allowance for credit losses of \$41,052	2,223
Total other assets	2,223

TOTAL ASSETS	\$ 736,034
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 11,116
Accrued payroll liabilities	8,639
Total current liabilities	19,755

OTHER LIABILITIES

Accrued compensated absences	16,436
Security deposits	1,450
Total other liabilities	17,886

TOTAL LIABILITIES	37,641
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NET ASSETS

Without donor restrictions	696,993
With donor restrictions	1,400
Total net assets	698,393

TOTAL LIABILITIES AND NET ASSETS	\$ 736,034
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See accompanying notes and independent auditors' report.

THE ASSIST AGENCY, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023

CHANGES IN UNRESTRICTED NET ASSETS:

	Without Donor Restrictions	With Donor Restrictions
UNRESTRICTED REVENUES AND SUPPORT		
Grants	\$ 103,102	\$ 595,043
Contributions	343	23,639
Interest income	761	-
Developer fee income	322	-
Other	50,914	-
Total unrestricted revenues and support	155,442	618,682
NET ASSETS RELEASED FROM RESTRICTIONS		
Program restrictions satisfied	618,682	(618,682)
Total revenues, support, and net assets released from restrictions	774,124	-
EXPENSES		
Program activities:		
Emergency assistance	587,853	-
Other program activities	117,889	-
Total	705,741	-
Management and general	136,373	-
Total expenses	842,114	-
CHANGE IN NET ASSETS	(67,990)	-
NET ASSETS AT BEGINNING OF PERIOD	764,983	1,400
NET ASSETS AT END OF PERIOD	\$ 696,993	\$ 1,400

See accompanying notes and independent auditors' report.

THE ASSIST AGENCY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Program Services		Supporting Services	Total
	Emergency Assistance	Other	Management and General	
Compensation and Related Expenses:				
Salaries	\$ 359,286	\$ 40,491	\$ 42,409	\$ 442,186
Employee Benefits				
Payroll taxes	31,807	4,197	4,011	40,015
Retirement	2,708	-	677	3,385
Group insurance	26,604	-	11,924	38,528
Total	<u>420,405</u>	<u>44,688</u>	<u>59,021</u>	<u>524,114</u>
Administrative Fees	-	-	3,000	3,000
Advertising	312	-	439	751
Bank charges	-	-	2,153	2,153
Community food	-	623	-	623
Depreciation	6,199	699	732	7,629
Donations	-	-	100	100
Dues and subscriptions	634	250	-	884
Emergency assistance	108,085	42,233	-	150,318
Financial education	925	-	-	925
Insurance	405	1,058	8,580	10,043
Audit and professional fees	-	-	32,795	32,795
Meeting	-	-	2,976	2,976
Miscellaneous	12	365	11,155	11,532
Penalties and fines	-	-	512	512
Postage	541	51	133	725
Rent	28,192	14,320	6,267	48,779
Repairs and maintenance	1,827	2,963	2,794	7,584
Supplies	7,474	2,407	2,019	11,900
Telephone	8,364	5,144	3,101	16,609
Training	-	-	189	189
Travel	1,182	437	407	2,026
Utilities	3,296	2,651	-	5,947
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Totals	<u>\$ 587,853</u>	<u>\$ 117,889</u>	<u>\$ 136,373</u>	<u>\$ 842,114</u>

See accompanying notes and independent auditors' report.

THE ASSIST AGENCY, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ (67,990)
Adjustments to reconcile change in net assets to Net cash provided by operating activities:	
Depreciation	7,629
Change in assets and liabilities:	
Unconditional promises to give	10,364
Accounts payable	(13,913)
Accrued payroll liabilities	<u>3,140</u>
Net cash used by operating activities	(60,770)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of fixed assets	(4,246)
Payments received on notes receivable, net	<u>3,268</u>
Net cash used by investing activities	<u>(978)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Payments from due from Friends of Assist, Inc.	<u>134,789</u>
Net cash provided by financing activities	<u>134,789</u>
NET CHANGE IN CASH	73,041
CASH AND EQUIVALENTS, BEGINNING OF PERIOD	<u>588,158</u>
CASH AND EQUIVALENTS, END OF PERIOD	<u><u>\$ 661,199</u></u>

See accompanying notes and independent auditors' report.

THE ASSIST AGENCY, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

(A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations – The ASSIST Agency, Inc., (“ASSIST Agency” or “Agency”) is a non-profit corporation chartered by the State of Louisiana on March 15, 1976. The primary function of The ASSIST Agency is to provide services to low-income, handicapped, and homeless individuals in the form of emergency food and shelter, food distribution, low-income housing assistance, and other related social and emergency services in Acadia, Vermilion, and Jefferson Davis Parishes. The Board of Directors governs the operations of the Agency.

Cash and Cash Equivalents – For purposes of the statement of cash flows, the Agency considers all investments purchased with an original maturity of three months or less to be cash equivalents, excluding permanently restricted cash and cash equivalents.

Property and Equipment – The Agency capitalizes property and equipment over \$1,000. Expenditures below the capitalization policy are expensed when incurred. Purchased property and equipment is capitalized at cost. Donations of property and equipment are capitalized at their fair market value at the date contributed. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as contributions with donor restrictions. The Agency is not allowed to dispose of any fixed assets purchased with grant proceeds without the approval of the grantor agency. In addition, the Agency currently uses equipment whose title is held by the Louisiana Department of Labor under the Community Services Block Grant. Property and equipment are depreciated using the straight-line method over estimated useful lives of the assets. Depreciation expense was \$7,629 for the year ended December 31, 2023.

The estimated useful life by type of assets is as follows:

Computers	5-7 years
Furniture and fixtures	5-7 years
Equipment	5-10 years

During the year ended December 31, 2023, the Agency had a triggering event requiring assessment of impairment of the land in conjunction with plans to sell it. Long-lived assets held for sale are required to be recorded at lower of carrying value or fair value, less any costs to sell. The carrying value as of December 31, 2023, is \$28,393 which is less than the market price the Agency has listed the property. The input utilized in the analysis are classified as level 1 inputs within the fair value hierarchy as defined in FASB ASC Topic 820, Fair Value Measurement and Disclosures. Accordingly, the Agency did not record an impairment charge on the land.

Contributed Services and Tangible Personal Property – The Agency recognizes donated services that (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. At December 31, 2023, there were no material donated services.

The Agency occasionally receives contributions for food, personal care items, or equipment. These contributions are used in providing services to the homeless who stay in the Agency’s shelter. The contributions are recognized at the items’ fair value at the date of donation, estimated using sales prices for items for similar condition.

THE ASSIST AGENCY, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

(A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Promises to Give – Contributions are recognized when the donor makes a promise to give to the Agency that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

The Agency uses the allowance method to determine uncollectible promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

Description of net assets classification - FASB ASC 958, Financial Statements for Not-for-Profit Entities, requires the net assets and changes in net assets be reported for two classifications – with donor restrictions and without donor restrictions based on the existence or absence of donor imposed restrictions. The Agency reports gifts of cash and other assets as restricted support if they are received with donor imposed restrictions or requirements that limit the use of the donation. A donor restriction ends when a time restriction is met or a purpose restriction is accomplished. As restrictions are met, assets are reclassified to net assets without donor restrictions.

Income Taxes - The Agency is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. The Agency believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

The Agency's federal Exempt Organization Business Income Tax Returns (Form 990) are subject to examination by the IRS generally for three years after they were filed.

Use of Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures of assets 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.

Functional Allocation of Expenses - The financial statements report certain categories that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include compensation and benefits, depreciation and occupancy which are allocated on the basis of estimates of time and effort. Telephone costs are allocated based on line counts by functional category.

Federal Financial Awards - Revenues from direct and indirect federal grants and contracts are recorded based on expenses incurred for contracts that are on a cost reimbursement basis. In the statement of activities, these revenues are included in grant revenue under restricted revenues and support. Related grant receivables are referred to as promises to give in the statement of financial position.

Advertising Costs – The Agency uses advertising to promote its programs among the individuals it serves. The cost of this advertising is expensed as incurred. Advertising costs for the year ended December 31, 2023 was \$751.

THE ASSIST AGENCY, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

(A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Operating leases – The Agency leases real estate for office and shelter locations of which both are cancelable operating lease agreements. The Agency has adopted ASC 842, Leases, using the modified retrospective transition method by recognizing the cumulative effect of the transition adjustment as of the effective date, January 1, 2022. With respect to the practical expedients, the Agency has elected to exclude leases with original terms of less than one year.

Recently adopted accounting pronouncements – In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments – Credit Losses*. ASU 2016-13 introduces a new model for estimating credit losses for certain types of financial instruments, including loan receivable, held to maturity debt securities, and net investments in direct financing leases, amongst other financial instruments. ASU 2016-13 also modified the impairment model for available for sale debt securities and expands the disclosure requirements regarding an entity’s assumptions, models and methods for estimating the allowance for losses. As amended by ASU 2019-10, the ASU 2016-13 is effective for periods beginning after December 15, 2022. Retrospective adjustments shall be applied through a cumulative effect adjustment to retained earnings. The Agency adopted this guidance on January 1, 2023, and there was no material impact on the financial statements.

(B) NET ASSETS WITH DONOR RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the purpose or time restrictions specified by donors as follows:

Louisiana Department of Labor	\$	533,977
Emergency food and Shelter program		35,602
United Way		48,828
Public contributions		<u>275</u>
Total	\$	<u>618,682</u>

THE ASSIST AGENCY, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

(C) PROPERTY AND EQUIPMENT

Property and equipment activity for the year ended December 31, 2023, were as follows:

	Balance at 1/1/2023	Additions	Deletions	Balance 12/31/2023
Computers	\$ 48,604	\$ -	\$ -	\$ 48,604
Furniture and fixtures	11,784	-	-	11,784
Equipment	12,239	4,246	-	16,485
Total capital assets being depreciated	72,627	4,246	-	76,873
Less accumulated depreciation:				
Computers	36,986	6,900	-	43,886
Furniture and fixtures	3,891	120	-	4,011
Equipment	11,248	609	-	11,857
Total accumulated depreciation	52,125	7,629	-	59,754
 Total property and equipment, net	 <u>\$ 20,502</u>	 <u>\$ (3,383)</u>	 <u>\$ -</u>	 <u>\$ 17,119</u>

Property and equipment as of December 31, 2022, included land recorded at \$28,391. However, during the year ended December 31, 2023, the land was put on the market and considered an asset available for sale and classified as a current asset. See Note A for additional information.

(D) ACCRUED COMPENSATED ABSENCES

Employees earn from six to eighteen days each of annual leave and sick leave each year, depending on their length of service. The maximum amount of annual leave an employee is allowed to carry over is 120 hours (15 days). Upon termination, employees are paid for all unused annual leave (up to 120 hours). Accordingly, an accrual of \$16,436 has been made for accumulated annual leave as of December 31, 2023.

(E) RETIREMENT PLAN

The Agency contributes to a Savings Incentive Match Plan for Employees of Small Employers (SIMPLE). All employees of the Agency are eligible to participate. The Agency contributes up to 3.00% of each employee's compensation for the calendar year to a SIMPLE IRA for each employee who has at least \$5,000 in compensation for the previous year. Retirement plan expense for the year ended December 31, 2023 was \$3,385.

(F) INVESTMENTS IN LIMITED PARTNERSHIPS

On September 21, 2000, the Agency entered into a limited partnership known as Southern Apartments Partnership, as managing general partner. The partnership was formed to develop multi-family housing in Iota, Louisiana, for use and occupancy by individuals and families of low to moderate income, in accordance with the terms and conditions of participation in the HOME Affordable Rental Housing Program. The Agency has an equity position of 2.50% in the partnership. However, as a general partner, the Agency is potentially liable for all the debts of the partnership.

THE ASSIST AGENCY, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

(F) INVESTMENTS IN LIMITED PARTNERSHIPS – (Continued)

On September 6, 2005, the Agency entered into a limited partnership known as Bobby Smith Subdivision I Limited Partnership, as managing general partner. The partnership was formed to develop, build, own and operate a scattered site residential housing complex in Acadia Parish, for the purposes of providing affordable housing, in accordance with the terms and conditions of participation in the HOME Affordable Rental Housing Program. The Agency has an equity position of .005% in the partnership. However, as a general partner, the Agency is potentially liable for all the debts of the partnership.

On September 6, 2005, the Agency entered into a limited partnership known as Bobby Smith Subdivision II Limited Partnership, as managing general partner. The partnership was formed to develop, build, own and operate a scattered site residential housing complex in Acadia Parish, for the purposes of providing affordable housing, in accordance with the terms and conditions of participation in the HOME Affordable Rental Housing Program. The Agency has an equity position of .005% in the partnership. However, as a general partner, the Agency is potentially liable for all the debts of the partnership.

On March 15, 2007, the Agency entered into a limited partnership known as South Church Point Subdivision Limited Partnership, as managing general partner. The partnership was formed to develop, build, own and operate a scattered site residential housing complex in Acadia Parish, for the purposes of providing affordable housing, in accordance with the terms and conditions of participation in the HOME Affordable Rental Housing Program. The Agency has an equity position of .005% in the partnership. However, as a general partner, the Agency is potentially liable for all the debts of the partnership.

The Agency (as a CHDO Developer) entered into a Development Services Agreement with South Church Point Subdivision Limited Partnership to acquire, construct, develop, improve, maintain, own, operate, lease, dispose and otherwise deal with a single-family housing project in Church Point, La. Funding for the project is from Louisiana Housing Finance Agency, Federal Home Loan Bank of Dallas, HOME, and Louisiana Recovery Authority.

(G) NOTES RECEIVABLE

The Agency has issued a loan from funds it received from USDA-Rural Development under The Rural Business Enterprise Grant (RBEG) Program during 2018 in the original amount of \$20,000 is performing as intended. The loan has a current balance of \$2,223.

In February 2018, the Agency loaned James A. Herod Apartments, Inc., a partner of the Agency in a housing project, \$41,052 to help cover operating expenses. The loan is fully reserved as of December 31, 2023.

(H) CONCENTRATIONS OF CREDIT RISK

The Agency receives funding from the U.S. Department of Health and Human Services in the form of Community Services Block Grant funds that are passed through the Louisiana Department Labor, Office of Workforce Development. During 2023, the Agency received \$533,977 of Community Services Block Grants. This amount represents 73% of total revenues and support received by the Agency for the year ended December 31, 2023. A change in this funding could substantially affect the operations of the Agency.

THE ASSIST AGENCY, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

(H) CONCENTRATIONS OF CREDIT RISK – (Continued)

The Company maintains cash at a financial institution. The accounts were insured by the FDIC up to \$250,000 per institution. At December 31, 2023, the Company's cash balances were fully insured. The following summary of deposit balances (bank balances) as of December 31, 2023, and the related federal insurance and pledge securities were as follows:

Bank balances	<u>\$ 664,041</u>
Federal deposit insurance	323,115
Pledge securities	<u>451,934</u>
Total federal insurance and pledge securities	<u>\$ 775,049</u>

(I) RELATED PARTY TRANSACTION

In June 2008, Friends of ASSIST, a 501(c)(3) Agency sharing common management and board of directors with The ASSIST Agency, Inc., was formed. The ASSIST Agency, Inc. collected \$134,789 from Friend of ASSIST during the year ended December 31, 2023, for funds that were advanced in the past. The Agency has collected full repayment of these advances as of December 31, 2023.

(J) FINANCIAL INSTRUMENTS

The Agency's financial instruments consist of cash and short-term investments, accounts receivable, loans receivable and accounts payable. The carrying amounts for these financial instruments approximates fair value because of their short-term nature.

(K) NONCOMPLIANCE WITH GRANTOR RESTRICTIONS

Financial awards from federal, state, and local governmental entities in the form of grants are subject to special audit. Such audits could result in claims against the Agency for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

(L) COMPENSATION OF BOARD MEMBERS

Members of the Board of Directors of the Agency received no compensation for services rendered as directors during 2023.

(M) OPERATING LEASES

The Company leases various office spaces throughout the year all under contracts that are either month to month or twelve months and all leases are cancelable. The current year rent expense for these leases totaled \$39,692. The future minimum rentals under the leases during the year ending December 31, 2024 are \$4,875.

THE ASSIST AGENCY, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

(N) SUBSEQUENT EVENTS

Subsequent events were evaluated through the date of the independent auditors' report, which is the date the financial statements were available to be issued. Management feels that no additional disclosures are necessary.

SUPPLEMENTARY INFORMATION

THE ASSIST AGENCY, INC.
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY HEDAD
FOR THE YEAR ENDED DECEMBER 31, 2023

Agency Head Name: Sharron Clement, Executive Director

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 65,684
Benefits- insurance	<u>2,731</u>
	<u>\$ 68,415</u>



Langley, Williams
& Company, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

LESTER LANGLEY, JR.
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JESSICA LOTT-HANSEN

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

To the Board of Directors
The ASSIST Agency, Inc.
Crowley, 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 ASSIST Agency, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, 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 June 25, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered The ASSIST Agency, Inc.'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of The ASSIST Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of The ASSIST Agency'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 the 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001 (IC) that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether The ASSIST Agency'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 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*.

The ASSIST Agency's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on The ASSIST Agency's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The ASSIST Agency's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Joseph, Williams & Co., P.C.

Lake Charles, Louisiana
June 25, 2024

THE ASSIST AGENCY, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023

We have audited the financial statements of The ASSIST Agency, Inc. as of and for the year ended December 31, 2023, and have issued our report thereon dated June 25, 2024. We conducted an 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 Comptroller General of the United States. Our audit of the financial statements of December 31, 2023 resulted in an unmodified opinion.

Section I Summary of Auditors' Reports

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

Internal Control

Significant Deficiencies	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Material Weaknesses	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Compliance

Noncompliance Material to Financial Statements	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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Section II – Current Year Findings and Management Corrective Action Plan

Internal Control Over Financial Reporting

2023-001: Lack of Management review

Condition: It was noted during our audit that management reviews the financial statements monthly; however, this review is not performed at a precision low enough to identify incorrect accounting treatment of certain items.

Criteria: Several balance sheet accounts were not properly accounted for and reconciled as of the year end.

Cause: Management review lacking precision.

Effect: Overstatement of assets.

Recommendation: Management should review and document their review of the financials periodically at a lower precision to maintain accurate financial records.

Views of Responsible Officials and Planned Corrective Action: Management will print the financials monthly in a comparative format to prior periods and document the detailed review going forward.

Compliance

None.

THE ASSIST AGENCY, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS – (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2023

Section III – Prior Year Findings and Management Corrective Action Plan

Internal Control Over Financial Reporting

2022-001: Lack of Management review

Condition: It was noted during our audit, there was a lack of management review of the financial statements.

Criteria: Several balance sheet accounts were not properly accounted for as of the year end.

Cause: Lack of management review.

Effect: Overstatement of assets.

Recommendation: Management should review and document their review of the financials periodically.

Views of Responsible Officials and Planned Corrective Action: Management will print the financials monthly in a comparative format to prior periods and document the detailed review going forward.

Compliance

None.



LESTER LANGLEY, JR.
DANNY L. WILLIAMS
PHILLIP D. ABSHIRE, JR.
DAPHNE BORDELON BERKEN

NICHOLAS J. LANGLEY
PHILLIP D. ABSHIRE, III
SARAH CLARK WERNER
ALEXIS H. O'NEAL
JESSICA LOTT-HANSEN

INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

The ASSIST Agency, Inc.
Acadia Parish
Crowley, Louisiana

To the Governing Board of the The ASSIST Agency, Inc. and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2023 through December 31, 2023. The ASSIST Agency, Inc.'s management is responsible for those C/C areas identified in the SAUPs.

The ASSIST Agency, Inc.'s Office has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2023 through December 31, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) *Written Policies and Procedures*

- A. 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:
- i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - ii. ***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.
 - iii. ***Disbursements***, including processing, reviewing, and approving.
 - iv. ***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).
- v. **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.
 - vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
 - vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
 - viii. **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).
 - ix. **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.
 - x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/Electronic Municipal Market Access ("EMMA") reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
 - xi. **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.
 - xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Exception: There are no written policies and procedures addressing disbursements.

Management's response: We will add the policies and procedures mentioned above to our written policies and procedures going forward.

2) Board or Finance Committee

- A. 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:
 - i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - ii. 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.
-

- iii. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

There were no exceptions noted as a result of applying these procedures.

3) Bank Reconciliations

- A. 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:

We obtained a list of bank accounts from management and management's representation that the list was complete.

- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

There were no exceptions noted as a result of applying this procedure.

- ii. 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 within 1 month of the date the recognition was prepared (e.g., initialed and dated, electronically logged); and

There were no exceptions noted as a result of applying this procedure.

- iii. 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.

Exception: Three out of five bank reconciliations had an outstanding amount greater than 12 months not researched or documented.

Management's response: Going forward, we will add a procedure on the bank reconciliation review template to review and document the research that was performed on outstanding amounts greater than 12 months.

4) Collections (excluding electronic funds transfers)

- A. 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).

Obtained a listing of all deposit sites for the fiscal period and management's representation that the listing is complete.

- B. 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:

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

- ii. 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.
- iii. 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.
- iv. 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/official verifies the reconciliation.

All collections are electronic and there are no physical cash collections. The procedures above are not applicable.

- C. 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.

There were no exceptions noted as a result of applying this procedure.

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3A 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:

- i. Observe that receipts are sequentially pre-numbered.

There were no exceptions noted as a result of applying this procedure.

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

There were no exceptions noted as a result of applying this procedure.

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

There were no exceptions noted as a result of applying this procedure.

- iv. 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).

There were no exceptions noted as a result of applying this procedure.

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

There were no exceptions noted as a result of this procedure.

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

- A. 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).
-

Per discussion with management, we noted only one location processes payments for the fiscal period.

- B. For each location selected under #5A 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:
- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
There were no exceptions noted as a result of applying this procedure.
 - ii. At least two employees are involved in processing and approving payments to vendors.
There were no exceptions noted as a result of applying this procedure.
 - iii. 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.
There were no exceptions noted as a result of applying this procedure.
 - iv. 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.
There were no exceptions noted as a result of applying this procedure.
 - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.
There were no exceptions noted as a result of applying this procedure.
- C. For each location selected under #5A 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:
- i. Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
There were no exceptions noted as a result of applying this procedure.
 - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.
There were no exceptions noted as a result of applying this procedure.
- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy.

This procedure is not applicable due to there being no electronic disbursements.

6) Credit Cards/Debit Cards/Fuel Cards/P-Cards

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

We obtained a listing of active credit cards, bank debit cards, fuel cards, and purchase-cards for the fiscal period and management's representation that the listing is complete.

- B. 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:

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

There were no exceptions noted as a result of applying this procedure.

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

One out of the two statements selected had assessed finance charges.

- C. Using the monthly statements or combined statements selected under #7B 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.

There were no exceptions noted as a result of applying this procedure.

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

- A. 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:

Obtained a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing is complete.

- i. 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).

There were no exceptions noted as a result of applying this procedure.

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

There were no exceptions noted as a result of applying this procedure.

- iii. 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).

There were no exceptions noted as a result of applying this procedure.

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

Exception: One of the five selected reimbursements was not approved in writing by someone other than the person receiving reimbursement.

Management's response: The reimbursement was reviewed by management, but there was no written documentation of approval. Going forward, management will document the approvals.

8) Contracts

- A. 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:

We obtained a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities from management and management's representation that the listing is complete.

- i. 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.

None of the selected contracts were subject to bid law; therefore, this procedure is not applicable.

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

There were no exceptions noted as a result of applying this procedure.

- iii. 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).

There were no amendments during the fiscal period; therefore, this procedure is not applicable.

- iv. 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.

There were no exceptions noted as a result of applying this procedure.

9) Payroll and Personnel

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

We obtained a listing of employees and management's representation that the listing is complete.

- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #9A above, obtain attendance records and leave documentation for the pay period, and:
 - i. Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)

There were no exceptions noted as a result of applying this procedure.

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

There were no exceptions noted as a result of applying this procedure.

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

There were no exceptions noted as a result of applying this procedure.

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

There were no exceptions noted as a result of applying this procedure.

- C. 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.

There were no exceptions noted as a result of applying this procedure.

- D. 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.

There were no exceptions noted as a result of applying this procedure.

10) Ethics

- A. Using the 5 randomly selected employees/officials from procedure #9A under “Payroll and Personnel” above obtain ethics documentation from management, and:
- i. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
There were no exceptions noted as a result of applying this procedure.
 - ii. 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.
There were no exceptions noted as a result of applying this procedure.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

There were no exceptions noted as a result of applying this procedure.

11) Debt Service

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management’s representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.
Not applicable.
- B. 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.

12) Fraud Notice

- A. 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.
Management has asserted that the entity did not have any misappropriations of public funds or assets.
- B. Observe 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.

There were no exceptions noted as a result of applying this procedure.

13) Information Technology Disaster Recovery/Business Continuity

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

- i. Obtain and inspect the entity’s most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government’s local server or network, and (c) was encrypted.

We performed the procedure and discussed the results with management.

- ii. Obtain and inspect the entity’s most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

We performed the procedure and discussed the results with management.

- iii. 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.

B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

There were no exceptions noted as a result of applying this procedure.

C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency’s information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

- Hired before June 9, 2020 – completed the training; and
- Hired on or after June 9, 2020 – completed the training within 30 days of initial service or employment.

Exception: There is no documentation that demonstrates the employees have completed the cybersecurity training.

Management’s response: Management will start to document and maintain record of cybersecurity training for all employees.

14) Sexual Harassment

- A. Using the 5 randomly selected employees/officials from procedure #9A 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.

There were no exceptions noted as a result of applying this procedure.

- B. 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).

There were no exceptions noted as a result of applying this procedure.

- C. 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:

- i. Number and percentage of public servants in the agency who have completed the training requirements;
- ii. Number of sexual harassment complaints received by the agency;
- iii. Number of complaints which resulted in a finding that sexual harassment occurred;
- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- v. Amount of time it took to resolve each complaint.

This entity is not a governmental entity making this procedure not applicable.

We were engaged by the The ASSIST Agency, Inc.’s Office 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 The ASSIST Agency, Inc.’s Office 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.

