

**Houma Area Convention  
and Visitors Bureau**

Annual Financial Report  
As of and for the  
Year Ended December 31, 2021

**Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government**

Annual Financial Report  
Year Ended December 31, 2021

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**Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Commisioners  
Houma Area Convention and Visitors Bureau  
Houma, Louisiana

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of the governmental activities and each major fund of the Houma Area Convention and Visitors Bureau (the Bureau), a component unit of the Terrebonne Parish Consolidated Government, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Bureau's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Bureau, as of December 31, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Bureau 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 opinion.

#### ***Responsibilities of Management for the Financial Statements***

The Bureau's 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 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 Bureau's ability to continue as a going concern for one year after the date that the financial statements are issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 GAAS 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 GAAS, 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 Bureau'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 Bureau's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 8 and the budgetary comparison schedule on page 28 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the

Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

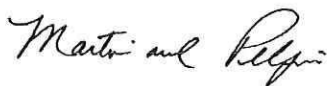
### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Houma Area Convention and Visitors Bureau's basic financial statements. The Schedule of Compensation, Benefits, and Other Payments to the Executive Director on page 29 is presented for purposes of additional analysis and is not a required part of the financial statements.

The Schedule of Compensation, Benefits, and Other Payments to the Executive Director is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation, Benefits, and Other Payments to the Executive Director is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated April 1, 2022, on our consideration of the Bureau's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Bureau's internal control over financial reporting and compliance.



Houma, Louisiana  
April 1, 2022

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government**  
Management's Discussion and Analysis  
December 31, 2021

As management of the Houma Area Convention and Visitors Bureau (HACVB), we offer readers of HACVB's financial statements this narrative overview and analysis of the financial activities of HACVB for the year ended December 31, 2021.

**FINANCIAL HIGHLIGHTS**

- Houma Area Convention and Visitors Bureau's assets exceeded its liabilities by \$5,847,422 (net position) as of December 31, 2021.
- Revenues exceeded expenses by \$967,458 during the year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis serves as an introduction to HACVB's financial statements. The Houma Area Convention and Visitors Bureau's financial statements consist of the following components:

**Statement of Net Position.** This statement combines and consolidates the governmental fund's current financial resources (short-term spendable resources) with capital assets and long-term obligations, regardless if they are currently available or not.

**Statement of Activities.** Consistent with the full accrual basis method of accounting, this statement accounts for the entity-wide current year revenues and expenses regardless of when cash is received or paid.

**Balance Sheet – Governmental Fund Type – General Fund.** This statement presents the HACVB's assets, liabilities, and fund balance for its general fund only.

**Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Fund Type – General Fund.** Consistent with the modified accrual basis method of accounting, this statement accounts for current year revenues when received except when they are measurable and available. Expenditures are accounted for in the period that goods and services are used in the government's activities. In addition, capital asset purchases are expensed and not recorded as an asset. The statement also exhibits the relationship of revenues and expenditures with the change in fund balance.

**Combined Balance Sheet – All Fund Types.** This statement presents the Houma Area Convention and Visitors Bureau's assets and liabilities for all fund types, with the difference of assets and liabilities reported as fund balance. The fluctuation in fund balance can be used as an indication of whether the financial position of HACVB is improving or deteriorating. This statement does not include capital assets or long term obligations.

**Notes to Financial Statements.** The accompanying notes provide additional information essential to a full understanding of the data provided in the financial statements.



**Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government**  
Management's Discussion and Analysis  
December 31, 2021

**BASIC FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of HACVB, assets exceeded liabilities by \$5,847,422 at the close of the most recent year, December 31, 2021. The largest portions of HACVB's current assets are cash (44%) and investments (44%). HACVB's Net Position is as follows:

**HACVB's Net Position**

<b>ASSETS</b>	<b>December 31,</b>	
	<b>2021</b>	<b>2020</b>
Current assets	\$ 3,442,726	\$ 2,574,537
Capital assets, net of accumulated depreciation	2,958,137	3,000,766
<b>TOTAL ASSETS</b>	<b>\$ 6,400,863</b>	<b>\$ 5,575,303</b>
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 34,700	\$ 21,598
Compensated absences payable	23,741	23,741
Certificate of indebtedness		
Due within one year	160,000	155,000
Due in more than one year	335,000	495,000
<b>TOTAL LIABILITIES</b>	<b>553,441</b>	<b>695,339</b>
<b>NET POSITION</b>		
Net investment in capital assets	2,463,137	2,350,766
Unrestricted	3,384,285	2,529,198
Total net position	5,847,422	4,879,964
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$ 6,400,863</b>	<b>\$ 5,575,303</b>

- Capital assets, which were reported net of accumulated depreciation, account for 46% of the total assets of HACVB for the most recent year ended.
- The certificate of indebtedness accounts for 89% of total liabilities.

**Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government**  
Management's Discussion and Analysis  
December 31, 2021

**BASIC FINANCIAL ANALYSIS (Cont.)**

During the year, HACVB's net position increased by \$967,458. The elements of the increase are as follows:

**HACVB's Changes in Net Position**

	<b>For the Year Ended December 31,</b>	
	<b>2021</b>	<b>2020</b>
<b>REVENUES</b>		
Parish taxes	\$ 1,263,964	\$ 1,026,997
State taxes	560,868	924,920
Total operating revenues	1,824,832	1,951,917
 <b>EXPENSES</b>		
Other services and charges	702,769	628,912
Personal services	549,334	530,099
Depreciation	106,113	103,615
Supplies and materials	14,723	12,800
Total operating expenses	1,372,939	1,275,426
 <b>NET REVENUE</b>	 451,893	 676,491
 <b>GENERAL REVENUES</b>		
Interest earned	1,161	9,594
Grants	530,579	-
Other	3,331	2,826
Total general revenues	535,071	12,420
 <b>OTHER EXPENSES</b>	 19,506	 25,388
 <b>CHANGE IN NET POSITION</b>	 \$ 967,458	 \$ 663,523

As indicated above, net position increased by \$967,458. The increase in change of position from the prior year is primarily attributable to a \$437,574 grant received from the State of Louisiana Tourism Revival Program.

**Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government  
Management's Discussion and Analysis  
December 31, 2021**

**CAPITAL ASSETS**

As of December 31, 2021, the Bureau had \$2,958,137 invested in capital assets.

	<b>2021</b>	<b>2020</b>
Land	\$ 306,313	\$ 306,313
Buildings	3,319,977	3,279,867
Office furniture and equipment	251,141	249,743
Automobiles	49,627	49,627
Subtotal	3,927,058	3,885,550
Less accumulated depreciation	(968,921)	(884,784)
	\$ 2,958,137	\$ 3,000,766

During the year ended December 31, 2021, the Bureau expended \$65,059 on capital assets.

**CERTIFICATE OF INDEBTEDNESS**

In May 2014, the Bureau issued a certificate of indebtedness for \$1,500,000. Principal and interest paid in the governmental fund was \$155,000 and \$19,506, respectively, for 2021. More detailed information about the certificate of indebtedness is presented in the Notes to Financial Statements.

**ORIGINAL VS. REVISED BUDGET**

The Bureau amended its budget two times during the year ended December 31, 2021. The budget for revenues was increased as follows:

<b>Revenues</b>	
Total revenues revised budget	\$ 2,361,477
Total revenues original budget	1,904,587
	\$ 456,890

The Bureau's 2021 actual revenues equaled revised budgeted revenues.

**Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government**  
Management's Discussion and Analysis  
December 31, 2021

**Expenditures**

The Bureau's budget for expenditures was decreased as follows:

Total expenditures revised budget	\$ 1,506,388
Total expenditures original budget	1,874,956
	<u>\$ (368,568)</u>

The Bureau's actual expenditures exceeded the revised budgeted expenditures by \$2.

**REQUEST FOR INFORMATION**

This financial report is designed to provide a general overview of HACVB's finances for all those with such an interest. Call the HACVB office (985-868-2732) attention Ms. Sondra Corbitt, Executive Director, if you should have any further questions concerning any of the information provided in this report or have a request for additional financial information.

**FINANCIAL STATEMENTS**

**Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government**

Statement of Net Position  
December 31, 2021

	<b>Government Activities</b>
<b>ASSETS</b>	
Current assets	
Cash and cash equivalents	\$ 1,503,572
Investments	1,519,475
Taxes receivable	335,224
Due from Terrebonne Parish Consolidated Government	63,995
Inventory	4,174
Prepaid insurance	16,286
Total current assets	3,442,726
Capital assets, net of accumulated depreciation of \$968,921	2,958,137
<b>TOTAL ASSETS</b>	<b>6,400,863</b>
 <b>LIABILITIES</b>	
Current liabilities	
Accounts payable and accrued expenses	34,700
Compensated absences payable	23,741
Total current liabilities	58,441
Certificate of indebtedness	
Due within one year	160,000
Due in more than one year	335,000
<b>TOTAL LIABILITIES</b>	<b>553,441</b>
 <b>NET POSITION</b>	
Net investment in capital assets	2,463,137
Unrestricted	3,384,285
<b>TOTAL NET POSITION</b>	<b>\$ 5,847,422</b>

See accompanying notes.

**Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government**

Statement of Activities  
Year Ended December 31, 2021

	Expenses	Program Revenues	Net (Expense) Revenue and Change in Net Position Governmental Activities
<b>GOVERNMENTAL ACTIVITIES</b>			
Promotion of tourism	\$ 1,392,445	\$ -	\$ (1,392,445)
Total governmental activities	\$ 1,392,445	\$ -	(1,392,445)
<b>GENERAL REVENUES</b>			
Sales taxes:			
Local collections			1,263,964
State appropriations			560,868
Grants			530,579
Other			3,331
Interest			1,161
Total general revenues			2,359,903
<b>CHANGE IN NET POSITION</b>			967,458
<b>NET POSITION, BEGINNING</b>			4,879,964
<b>NET POSITION, ENDING</b>			\$ 5,847,422

See accompanying notes.

**Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government**

Balance Sheet  
Governmental Fund Type  
General Fund  
December 31, 2021

**ASSETS**

Cash and cash equivalents	\$ 1,503,572
Investments	1,519,475
Taxes receivable	335,224
Due from Terrebonne Parish Consolidated Government	63,995
Inventory	4,174
Prepaid insurance	16,286

**TOTAL ASSETS** \$ 3,442,726

**LIABILITIES**

Accounts payable and accrued expenses	\$ 34,700
Compensated absences payable	23,741

**TOTAL LIABILITIES** 58,441

**FUND BALANCE**

Nonspendable	20,460
Unassigned	3,363,825

**TOTAL FUND BALANCE** 3,384,285

**TOTAL LIABILITIES AND  
FUND BALANCE** \$ 3,442,726

See accompanying notes.



**Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government**

Statement of Revenues, Expenditures,  
and Changes in Fund Balance-  
Governmental Fund Type  
General Fund  
Year Ended December 31, 2021

**REVENUES**

Taxes:	
Parish	\$ 1,263,964
State	560,868
	1,824,832
<b>TOTAL REVENUES</b>	<b>1,824,832</b>

**EXPENDITURES**

Economic development and assistance:	
Other services and charges	702,769
Personal services	549,334
Supplies and materials	14,722
Capital expenditures	65,059
Debt service	174,506
	1,506,390
<b>TOTAL EXPENDITURES</b>	<b>1,506,390</b>

<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>318,442</b>
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**GENERAL REVENUES**

Interest earned	1,161
Grants	530,579
Other	4,905
	536,645
<b>TOTAL GENERAL REVENUES</b>	<b>536,645</b>

<b>CHANGE IN FUND BALANCE</b>	<b>855,087</b>
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**FUND BALANCE**

Beginning of year	2,529,198
	2,529,198
End of year	\$ 3,384,285
	<b>\$ 3,384,285</b>

See accompanying notes.

**Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government**

Reconciliation of the Balance Sheet of the Governmental Fund  
to the Statement of Net Position  
December 31, 2021

Total fund balance - governmental fund	\$ 3,384,285
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets of \$3,927,058, net of accumulated depreciation of \$968,921, are not financial resources and, therefore, are not reported in the funds.	2,958,137
Certificates of indebtedness are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(495,000)</u>
Total net position of governmental activities	<u>\$ 5,847,422</u>

See accompanying notes.

**Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government**

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balance – Governmental Fund to the  
Statement of Activities  
Year Ended December 31, 2021

Change in fund balance - governmental fund \$ 855,087

Amounts reported for governmental activities in the statement  
of activities are different because:

Governmental fund reports capital outlays as expenditures,  
whereas in the statement of activities, these costs are  
depreciated over their estimated useful lives.

Depreciation expense	(106,113)	
Capital outlays	65,059	
Disposal of capital assets	<u>(1,575)</u>	(42,629)

The issuance of long-term debt provides current financial  
resources to governmental funds. This transaction has no  
effect on net position.

Principal payments of certificate of indebtedness	<u>155,000</u>
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Change in net position of governmental activities	<u><u>\$ 967,458</u></u>
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See accompanying notes.

**Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government**

Combined Balance Sheet –  
All Fund Types  
December 31, 2021

	Governmental Fund Type General Fund	Fiduciary Fund Type Agency	Total (Memorandum Only)
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,503,572	\$ -	\$ 1,503,572
Investments	1,519,475	-	1,519,475
Taxes receivable	335,224	86,384	421,608
Due from Terrebonne Parish Consolidated Government	63,995	96,856	160,851
Inventory	4,174	-	4,174
Prepaid insurance	16,286	-	16,286
	<b>TOTAL ASSETS</b>	<b>\$ 183,240</b>	<b>\$ 3,625,966</b>
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	\$ 34,700	\$ -	\$ 34,700
Compensated absences payable	23,741	-	23,741
Due to Houma-Terrebonne Civic Center	-	91,620	91,620
Due to Terrebonne Parish Consolidated Government	-	91,620	91,620
	Total liabilities	183,240	241,681
<b>FUND BALANCE</b>			
Nonspendable	20,460	-	20,460
Unassigned	3,363,825	-	3,363,825
	Total fund balance	-	3,384,285
	<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 183,240</b>	<b>\$ 3,625,966</b>

See accompanying notes.

**Houma Area Convention and Visitors Bureau**  
**Terrebonne Parish Consolidated Government**  
Notes to Financial Statements  
Year Ended December 31, 2021

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Houma Area Convention and Visitors Bureau (the Bureau) was created and established by Terrebonne Parish Police Jury Ordinance No. 1977 on May 3, 1977, authorized by Act 19 of the Louisiana Legislature of 1975 (R.S. 33-4574-3574,3). The Bureau was formed for the purpose of promoting tourism within the Parish of Terrebonne. The Bureau is composed of nine members, known as commissioners, who are authorized to do all things necessary for the promotion, advertisement, and publication of information relating to tourist attractions within its jurisdiction. The Bureau may also sue and be sued and accept grants or donations of every type. However, the Bureau may not exercise any function that results in competition with local retail businesses or enterprises. The Bureau is funded by a 5.0% tax on the occupancy of hotel rooms, motel rooms, and overnight camping facilities located within the boundaries of Terrebonne Parish and taxes collected by the state on the Bureau's behalf.

The accounting and reporting policies of the Bureau conform to accounting principles generally accepted in the United States of America as applicable to governments. The following is a summary of significant accounting policies:

**A. REPORTING ENTITY**

Because the Consolidated Government appoints the governing board and can therefore impose its will, the Houma Area Convention and Visitors Bureau was determined to be a component unit of the Terrebonne Parish Consolidated Government, the governing body of the parish and the governmental body with financial accountability.

The accompanying financial statements present information only on the funds maintained by the Bureau and do not present information on the Consolidated Government, the general government services provided by that governmental unit, or the other governmental units that comprise the governmental reporting entity.

The Bureau has reviewed all of its activities and determined that there are no potential component units that should be included in its financial statements.

**B. METHOD OF ACCOUNTING**

GASB statements establish standards for external financial reporting for all state and local governmental entities which include a statement of net position and a statement of activities. It requires the classification of net position into three components – net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

Net investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the

**Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government**  
Notes to Financial Statements  
Year Ended December 31, 2021

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted – This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position – This component of net position consists of net position that does not meet the definition of “restricted” or “net investment in capital assets”.

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied. It establishes fund balance classifications that comprise hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. These classifications are defined as follows:

Nonspendable – This component of fund balance includes amounts that cannot be spent due to form, including inventories and prepaid amounts. Also included are amounts that must be maintained intact legally or contractually.

Restricted – This component of fund balance includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed – This component of fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the Bureau’s highest level of decision-making authority. The Board of Commissioners must vote on commitments.

Assigned – This component of fund balance is intended to be used by the Bureau for specific purposes but do not meet the criteria to be classified as restricted or committed. The Board of Commissioners can vote on applicable assigned amounts.

Unassigned – This component of fund balance is the residual classification for the Bureau’s general fund and includes all spendable amounts not contained in the other classifications.

Stabilization Funds – This component of fund balance covers such things as revenue shortfalls, emergencies, or other purposes. The authority to set aside resources often comes from a statute, ordinance, or constitution.

**Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government**  
Notes to Financial Statements  
Year Ended December 31, 2021

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

The financial statements of the Bureau are prepared on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred.

**C. FUND TYPES**

The Bureau reports the following fund types:

**Governmental Funds**

Governmental Funds are those through which governmental functions of the Bureau are financed. The acquisition, use, and balances of the Bureau's expendable financial resources, and the related liabilities are accounted for through Governmental Funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following is the Governmental Fund of the Bureau:

**General Fund** - The General Fund is the general operating fund of the Bureau. It is used to account for all financial resources except those that are required to be accounted for in another fund.

**Fiduciary Funds**

Fiduciary funds account for assets held by the Bureau in a trustee or agency capacity. Agency funds are custodial in nature and do not involve measurement of results of operations. The following is the Fiduciary Fund of the Bureau:

**Agency Fund** – The Agency Fund is used by the Bureau to receive and transfer funds allocated to the Houma-Terrebonne Civic Center and the Terrebonne Parish Consolidated Government.

**D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING**

**Government-Wide Financial Statements (GWFS)**

The government-wide financial statements display information as a whole. These statements include all the financial activities. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed).

**Houma Area Convention and Visitors Bureau**  
**Terrebonne Parish Consolidated Government**  
Notes to Financial Statements  
Year Ended December 31, 2021

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

**Fund Financial Statements (FFS)**

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

The amounts reflected in the fund financial statements use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Bureau considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred.

**E. ENCUMBRANCES**

The Bureau does not utilize encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in the fund general ledgers.

**F. OPERATING BUDGETARY DATA**

As required by Louisiana Revised Statute 39:1303, the Board of Commissioners (the Board) adopted a budget for the Bureau's General Fund. Any amendment involving the transfer of monies from one function to another or increases in expenditures must be approved by the Board. All budgeted amounts that are not expended or obligated through contracts lapse at year-end. The budget was amended two times during the year ended December 31, 2021. The General Fund budget is adopted on a basis materially consistent with accounting principles generally accepted in the United States of America.

**G. CASH AND CASH EQUIVALENTS**

The Bureau considers all highly liquid investments purchased with an initial maturity of three months or less to be cash equivalents.

**H. INVESTMENTS**

Investments are stated at cost, which approximates market.



**Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government**  
Notes to Financial Statements  
Year Ended December 31, 2021

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

**I. BAD DEBTS**

The financial statements of the Bureau contain no allowance for bad debts. Uncollectible amounts due for taxes and other receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operation of the Bureau.

**J. CAPITAL ASSETS**

Capital assets are presented on the Statement of Net Position.

Depreciation of all fixed assets is computed on the straight-line basis. Estimated useful lives of property and equipment are as follows:

Office furniture and equipment	5 - 7 years
Automobiles	5 years
Buildings	7 - 40 years

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated.

**K. ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Estimates of the Bureau primarily relate to the useful lives of fixed assets.

**L. MEMORANDUM ONLY – TOTAL COLUMNS**

The total column on the combined financial statements is captioned memorandum only to indicate that it is presented only to facilitate financial analysis. Data in this column do not present financial position or results of operations in conformity with accounting principles generally accepted in the United States of America. Such data is not comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government**  
Notes to Financial Statements  
Year Ended December 31, 2021

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

**M. COMPENSATED ABSENCES**

Full-time employees may accrue up to thirty days of vacation time, which begins to accrue after six months of employment. After an employee's six-month anniversary date, an employee will be granted six days of vacation time and, thereafter, will accrue one day at the end of each full calendar month of service. Accrued and earned vacation will be paid at the resignation or termination of an employee. The amount of accumulated vacation benefits as of December 31, 2021 was \$23,741.

After ninety days of employment, full-time employees are eligible for one day of sick leave per month of employment through the remainder of the first year of employment. Employees will receive ten days of paid sick leave per year for all subsequent years. Unused sick leave may accumulate up to thirty days. Sick leave is not a vested benefit and employees will not receive compensation for unused sick leave at the time of termination or departure from the Bureau.

**N. RECENT PRONOUNCEMENT**

GASB Statement No. 84, "*Fiduciary Activities*," improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Management has implemented this Statement, resulting in no material effect on the financial statements.

**NOTE 2 – DEPOSITS AND INVESTMENTS**

**Bank Deposits:**

Under state law, the Bureau may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of another state in the Union, or the laws of the United States Treasury.

**Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government**  
Notes to Financial Statements  
Year Ended December 31, 2021

**NOTE 2 – DEPOSITS AND INVESTMENTS (cont.)**

State law requires that deposits (cash and certificates of deposits) of all political subdivisions be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana, and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision.

The year-end balance of deposits is as follows:

	<u>Bank Balances</u>	<u>Reported Amount</u>
Cash	\$ 1,547,117	\$ 1,503,572

Custodial credit risk is the risk that in the event of a bank failure, the Bureau's deposits may not be returned to it. The Bureau has a written policy for custodial credit risk. As of December 31, 2021, \$1,178,363 of the Bureau's bank balance of \$1,547,117 was exposed to credit risk. These deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Bureau's name.

As of December 31, 2021, cash was adequately collateralized in accordance with state law by securities held by an unaffiliated bank for the account of the Bureau. The Governmental Accounting Standards Board (GASB), which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities subject to custodial credit risk. Even though the pledged securities are considered subject to custodial credit risk under the provisions of GASB Statement 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

**Investments:**

State statutes authorize the Bureau to invest in obligations of the U.S. Treasury, agencies and instrumentalities; guaranteed investment contracts and investment grade (A-1/P-1) commercial paper of domestic corporations; repurchase agreements; and the Louisiana Asset Management Pool (LAMP).

As a means of limiting its exposure to fair value losses arising from interest rates, the Bureau's investment policy limits investments to securities with maturity dates less than six months from the date of purchase unless the investment is matched to a specific cash flow.

**Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government**  
Notes to Financial Statements  
Year Ended December 31, 2021

**NOTE 2 – DEPOSITS AND INVESTMENTS (cont.)**

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Bureau's investment policy requires the application of the prudent-person rule. The policy states, *investments shall be made with the judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. Primary emphasis shall be placed upon the safety of such funds in an effort to minimize risk while earning maximum returns.* The Bureau's investment policy limits investments to those discussed earlier in this note.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Bureau will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments in external investment pools are not exposed to custodial credit risk because of their natural diversification and the diversification required by Securities and Exchange Commission.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA - R.S. 33:2955.

GASB Statement No. 40 Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk interest rate risk, and foreign currency risk for all public entity investments.

LAMP is an investment pool that, to the extent practical, invests in a manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools:

- Credit risk: LAMP is rated AAAM by Standard & Poor's.
- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.

**Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government**  
Notes to Financial Statements  
Year Ended December 31, 2021

**NOTE 2 – DEPOSITS AND INVESTMENTS (cont.)**

- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days or 762 days for US Government floating/variable rate investments. The WAM for LAMP's total investments is 58 days as of December 31, 2021.
- Foreign currency risk: Not applicable.

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares. Investments in LAMP as of December 31, 2021 amounted to \$1,519,475 and are classified on the Statement of Net Position as "Investments".

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

A reconciliation of deposits and investments as shown on the Statement of Net Position is as follows:

Reported amount of deposits	\$ 1,503,572
Reported amount of investments	<u>1,519,475</u>
Total	<u><u>\$ 3,023,047</u></u>
Cash	\$ 1,503,572
Investments	<u>1,519,475</u>
Total	<u><u>\$ 3,023,047</u></u>

**Houma Area Convention and Visitors Bureau**  
**Terrebonne Parish Consolidated Government**  
Notes to Financial Statements  
Year Ended December 31, 2021

**NOTE 3 – CHANGES IN CAPITAL ASSETS**

A summary of changes in capital assets follows:

	Balance January 1, 2021	Additions	Retirements	Balance December 31, 2021
Government activities:				
Capital assets, not being depreciated:				
Land	\$ 306,313	\$ -	\$ -	\$ 306,313
Capital assets, being depreciated:				
Automobiles	49,627	-	-	49,627
Office furniture and equipment	249,742	17,149	(15,750)	251,141
Buildings	3,279,867	47,910	(7,800)	3,319,977
Total assets being depreciated	<u>3,579,236</u>	<u>65,059</u>	<u>(23,550)</u>	<u>3,620,745</u>
Less accumulated depreciation:				
Automobiles	(7,444)	(8,933)	-	(16,377)
Office furniture and equipment	(194,691)	(11,529)	14,176	(192,044)
Buildings	(682,649)	(85,651)	7,800	(760,500)
Total accumulated depreciation	<u>(884,784)</u>	<u>(106,113)</u>	<u>21,976</u>	<u>(968,921)</u>
Total capital assets being depreciated, net	<u>2,694,452</u>	<u>(41,054)</u>	<u>(1,574)</u>	<u>2,651,824</u>
Governmental activities capital assets, net	<u>\$ 3,000,765</u>	<u>\$ (41,054)</u>	<u>\$ (1,574)</u>	<u>\$ 2,958,137</u>

During the year ended December 31, 2021, the Bureau expended \$65,059 on office equipment and major repairs to buildings.

**Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government**  
Notes to Financial Statements  
Year Ended December 31, 2021

**NOTE 4 – CERTIFICATE OF INDEBTEDNESS**

On May 8, 2014, the Bureau signed a certificate of indebtedness of \$1,500,000 for the purpose of acquiring and constructing buildings and improvements for the Bureau, including necessary equipment and furnishings, and paying the costs incurred in connection with the issuance of the certificates. The agreement stipulates annual principal payments and semi-annual interest payments. The certificate of indebtedness carries an interest rate of 2.75% in 2021, 3.0% in 2022, 3.5% in 2023, and 4.0% in 2024 and a maturity date of May 1, 2024. The balance on this certificate of indebtedness was \$495,000 as of December 31, 2021.

The certificate is secured by a pledge and dedication of the annual revenues above statutory, necessary and usual charges in each of the fiscal years during which the certificate is outstanding.

The following is a summary of changes in the certificate of indebtedness of the Bureau for the year ended December 31, 2021:

Payable as of January 1, 2021	\$ 650,000
Debt retired (Series 2014 certificate)	<u>(155,000)</u>
Payable as of December 31, 2021	<u><u>\$ 495,000</u></u>

The requirements to amortize the certificate of indebtedness outstanding as of December 31, 2021 are as follows:

Year	Principal	Interest	Total
2022	\$ 160,000	\$ 14,976	\$ 174,976
2023	165,000	9,688	174,688
2024	<u>170,000</u>	<u>3,400</u>	<u>173,400</u>
Totals	<u><u>\$ 495,000</u></u>	<u><u>\$ 28,064</u></u>	<u><u>\$ 523,064</u></u>

**NOTE 5 – GRANTS RECEIVED**

During the year ended December 31, 2021, the Bureau received grants of \$437,574 from the State of Louisiana Tourism Revival Program and \$82,500 from the State of Louisiana Tourism Sunshine Grant.

**Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government**  
Notes to Financial Statements  
Year Ended December 31, 2021

**NOTE 6 – DEFERRED COMPENSATION PLAN**

The Bureau sponsors an IRC Section 457 Deferred Compensation Plan for the benefit of its employees. Employees are allowed to contribute the lesser of 33 1/3% of includible compensation or \$19,500 (\$26,000 for participants age 50 and over). The Bureau has elected to make employer matching funds available to those employees who have completed one year of active service. The Bureau made matching contributions to the plan for the year ended December 31, 2021 in the amount of \$16,768.

**NOTE 7 – POST-EMPLOYMENT BENEFITS**

The Bureau does not offer post-employment benefits to its employees.

**NOTE 8 – COMPENSATION OF BOARD MEMBERS**

As set forth in the Bureau's by-laws, the Board serves without compensation.

**NOTE 9 – RISK MANAGEMENT**

The Bureau is exposed to various risks of loss related to workers' compensation; torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to the public; and natural disasters for which the Bureau carries commercial insurance or other insurance for the losses to which it is exposed. The Bureau's premiums for general liability are based on various factors such as its operations and maintenance budget, exposure and claims experience. The premium for auto liability is based on claims experience, vehicle type, and mileage.

**NOTE 10 – HURRICANE IDA**

On August 29, 2021, Hurricane Ida made landfall near Port Fourchon, Louisiana as a Category 4 storm, with winds in excess of 150 miles per hour. The natural disaster caused significant wind-related and water-related damage to structures throughout Terrebonne Parish.

Damages suffered by HACVB as a result of the natural disaster totaled \$74,623. As this amount is less than the property insurance wind and hail deductible, no insurance proceeds were received.

**NOTE 11 – SUBSEQUENT EVENTS**

Subsequent events were evaluated through April 1, 2022, which is the date the financial statements were available to be issued and it was determined that no events occurred that require disclosure. No events occurring after that date have been evaluated for inclusion in the financial statements.



**REQUIRED SUPPLEMENTAL INFORMATION**

**Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government**

**Budgetary Comparison Schedule - General Fund  
Year Ended December 31, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Revised Budget Favorable/ (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
State taxes	\$ 600,000	\$ 560,868	\$ 560,868	\$ -
Parish taxes	1,275,000	1,263,964	1,263,964	-
Interest earned	10,000	1,161	1,161	-
Grants	16,587	530,579	530,579	-
Other	3,000	4,905	4,905	-
<b>TOTAL REVENUES</b>	<u>1,904,587</u>	<u>2,361,477</u>	<u>2,361,477</u>	<u>-</u>
<b>EXPENDITURES</b>				
<u>Personal Services</u>				
Salaries	425,000	394,119	394,119	-
Group insurance	85,000	75,475	75,475	-
Administration	13,000	10,271	10,351	80
Staff	60,700	19,526	19,446	(80)
Payroll taxes	38,000	31,805	31,805	-
Pension	12,000	16,768	16,768	-
Workers comp insurance	2,000	1,370	1,370	-
Total personal services	<u>635,700</u>	<u>549,334</u>	<u>549,334</u>	<u>-</u>
<u>Supplies and Materials</u>				
Postage	1,500	1,347	1,347	-
Office supplies	10,000	13,376	13,375	(1)
Total supplies and materials	<u>11,500</u>	<u>14,723</u>	<u>14,722</u>	<u>(1)</u>
<u>Other Services and Charges</u>				
Marketing/advertising	238,800	216,775	216,776	1
Automobile	6,500	4,816	4,816	-
Bank charges	150	377	377	-
Computer	46,500	38,372	38,372	-
Dues & subscriptions	45,000	49,140	49,140	-
Insurance	43,950	36,785	36,786	1
Professional fees	125,000	111,096	111,096	-
Equipment lease	5,500	3,483	3,483	-
Building	43,100	84,258	84,258	-
Utilities	15,000	15,647	15,647	-
Special events	8,500	8,611	8,611	-
Sponsorship	410,000	100,126	100,126	-
Training	6,000	10,945	10,945	-
Research	8,000	-	-	-
Promotional	15,500	14,735	14,735	-
Uniforms	-	3,735	3,735	-
Geocaching	5,750	3,866	3,866	-
Total other services and charges	<u>1,023,250</u>	<u>702,767</u>	<u>702,769</u>	<u>2</u>
Debt service	<u>174,506</u>	<u>174,506</u>	<u>174,506</u>	<u>-</u>
Capital expenditures	<u>30,000</u>	<u>65,058</u>	<u>65,059</u>	<u>1</u>
<b>TOTAL EXPENDITURES</b>	<u>1,874,956</u>	<u>1,506,388</u>	<u>1,506,390</u>	<u>2</u>
<b>CHANGE IN FUND BALANCE</b>	<u>\$ 29,631</u>	<u>\$ 855,089</u>	<u>\$ 855,087</u>	<u>\$ (2)</u>

See Independent Auditor's Report.

**OTHER INFORMATION**

**Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government**

Schedule of Compensation, Benefits, and Other  
Payments to the Executive Director  
Year Ended December 31, 2021

**Agency Head Name:** Sondra Corbitt, Executive Director

<b>Purpose</b>	<b>Amount</b>
Salary	\$ 78,005
Membership fees	12,372
Benefits - insurance	13,655
Deferred compensation	6,500
Miscellaneous	3,512
Service fees	657
Per diem	1,252
Office supplies	462
Car allowance/automobile expense	1,310
Cell phone	645
Registration fees	2,464
Reimbursements - fees	28
Benefits - retirement	-
Benefits - other	-
Vehicle provided by government	1,082
Conference travel	5,532
Continuing professional education fees	-
Housing	-
Special meals	-

This schedule is used to satisfy the reporting requirements of  
R.S. 24:513(A)(3).

**REPORT REQUIRED BY GOVERNMENT AUDITING STANDARDS**

**Martin  
and  
Pellegrin**

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Houma, Louisiana 70360

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(A Professional Corporation)*

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

To the Board of Commissioners  
Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government  
Houma, 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 government activities and each major fund of Houma Area Convention and Visitors Bureau (the Bureau), a component unit of the Terrebonne Parish Consolidated Government, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Bureau's basic financial statements, and have issued our report thereon dated April 1, 2022.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Bureau's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Bureau's internal control. Accordingly, we do not express an opinion on the effectiveness of the Bureau'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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might by material weaknesses or significant deficiencies. Given these limitations, during

our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### Compliance and Other Matters

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

### Purpose of this Report

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



Houma, Louisiana  
April 1, 2022

**Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government**

Schedule of Findings and Responses  
Year Ended December 31, 2021

**Section I – Summary of Auditor’s Results**

1. The auditor’s report expresses an unmodified opinion on the financial statements of the Houma Area Convention and Visitors Bureau.
2. No significant control deficiencies were noted during the audit of the financial statements.
3. No instances of noncompliance or other matters, required to be reported in accordance with *Government Auditing Standards*, were noted during the audit.
4. No instances of noncompliance under the provisions of the Louisiana Governmental Audit Guide were noted during the audit of the financial statements.
5. A management letter was not issued.

**Section II – Financial Statement Findings**

No findings material to the basic financial statements of the Houma Area Convention and Visitors Bureau, which would be required to be reported in accordance with *Government Auditing Standards*, were noted during the audit.

**Section III – Federal Awards**

No federal awards were received during the year.



**Houma Area Convention and Visitors Bureau  
Terrebonne Parish Consolidated Government**

Schedule of Prior Findings and Responses  
Year Ended December 31, 2021

Note: The prior finding relates to the December 31, 2020 audit engagement.

**Section I – Internal Control and Compliance Material to the Financial Statements**

This section is not applicable.

**Section II – Internal Control and Compliance Material to Federal Awards**

This section is not applicable.

**Section III – Management Letter**

This section is not applicable.

**STATEWIDE AGREED-UPON PROCEDURES**

**Martin  
and  
Pellegrin**

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(A Professional Corporation)*

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

To the Board of Commissioners  
Houma Area Convention and Visitors Bureau  
Houma, Louisiana

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2021 through December 31, 2021. Houma Area Convention and Visitors Bureau's management is responsible for those C/C areas identified in the SAUPs.

Houma Area Convention and Visitors Bureau 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, 2021 through December 31, 2021. 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 described on pages 36-53.

We were engaged by Houma Area Convention and Visitors Bureau 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 Houma Area Convention and Visitors Bureau 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.

A handwritten signature in cursive script, appearing to read "Martin and Leprie".

Houma, Louisiana  
April 1, 2022

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The required procedures and our findings are as follows:

Procedures performed on the Bureau's written policies and procedures:

**Written Policies and Procedures**

1. Obtain and inspect the Bureau'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.

Performance: Obtained and read the written policy for budgeting and found it to contain the requirements included above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- b. Purchasing, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

Performance: Obtained and read the written policy for purchasing and found it to contain all requirements above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- c. Disbursements, including processing, reviewing, and approving.

Performance: Obtained and read the written policy for disbursements and found it to contain the requirements included above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- d. Receipts/Collections, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions.

Performance: Obtained and read the written policy for receipts and found it to contain the requirements listed above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Obtained and read the written policy for payroll and personnel and found it to contain the requirements listed above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- 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.

Performance: Obtained and read the written policy related to contracting and found it to contain the requirements listed above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- g. Credit Cards, 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.

Performance: Obtained and read the written policy related to credit cards and found it to contain the requirements listed above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Obtained and read the travel and expense reimbursement policy and found it contained all requirements listed above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- i. Ethics, including (1) the prohibitions as defined in Louisiana Revised Statute 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.

Performance: Obtained and read the written policy related to ethics and found it to contain the requirements listed above.

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Exceptions: There were no exceptions noted.  
Management's response: Not applicable.

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

Performance: Obtained and read written policy for debt service and found it to contain the requirements listed above.  
Exceptions: There were no exceptions noted.  
Management's response: Not applicable.

- k. Information Technology Disaster Recovery/Business Continuity, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Performance: Obtained and read written policy for information technology disaster recovery/business continuity and found it to contain the requirements listed above.  
Exceptions: There were no exceptions noted.  
Management's response: Not applicable.

- j. Sexual Harassment, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Performance: Obtained and read written policy for sexual harassment and found it to contain the requirements listed above.  
Exceptions: There were no exceptions noted.  
Management's response: Not applicable.

**Board or Finance Committee**

- 2. 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, bylaws, or other equivalent document.

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Performance: Determined 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 except for the below.

Exceptions: The September 2021 board meeting was not held due to Hurricane Ida. There was no power or internet in the local area.

Management's response: Not applicable.

- b) Observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund.

Performance: Determined whether the minutes referenced or included monthly budget-to-actual comparisons.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- c) Obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Performance: Determined that the unassigned fund balance in the general fund did not have a negative balance.

### **Bank Reconciliations**

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

Performance: Obtained the listing of bank accounts from management and received management's representation in a separate letter.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- a) Bank reconciliations include evidence that they were prepared within two months of the related statement closing date;

Performance: Determined that randomly selected bank statements were reconciled within two months of the related statement closing date.

Exceptions: There were no exceptions noted.



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Management's response: Not applicable.

- 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;

Performance: Inspected documentation for management approvals of each randomly selected bank reconciliation.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Determined that there were no items outstanding for more than 12 months as of the end of the statement closing date.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

**Collections**

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

Performance: Observed the listing of deposit sites from management and received management's representation in a separate letter.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site, obtain and inspect written policies and procedures relating to employee job duties at each collection location, and observe that job duties are properly segregated at each collection location, and observe that job duties are properly segregated at each collection location such that:

Performance: Observed the listing of collection locations from management and received management's representation in a separate letter.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Determined that no cash drawers/registers are shared by employees.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation to the deposit.

Performance: Inspected policy manual and inquired of client to ensure separation of duties for those employees collecting cash and those employees preparing/making bank deposits.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

Performance: Inspected policy manual and inquired of client to ensure separation of duties for those employees collecting cash and those employees posting collection entries to the general ledger or subsidiary ledgers.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Inspected policy manual and inquired of client to ensure separation of duties for those employees collecting cash and those employees reconciling cash collections to the general ledger and/or subsidiary ledgers.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

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Performance: Determined whether employees who have access to cash are covered by a bond or insurance policy for theft.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

7. Randomly select two deposit dates for each of the bank accounts selected for procedure #3 under "Bank Reconciliations" above. Obtain supporting documentation for each of the deposits and:

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

Performance: Determined that sequentially pre-numbered receipts are not required for the type of deposits that are received at the Bureau.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Inspected deposits from two random deposit dates to determine if they had collection documentation that agreed to the respective deposit slips. Noted that collections were supported by adequate documentation.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Inspected deposits from two random deposit dates to determine if the deposit slips agreed to the actual deposits per the bank statements.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- d) Observe that the deposit was made within one business day of receipt at the collection location.

Performance: Determined if deposits from two random dates were deposited within one business day of receipt.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Inspected deposits from two random deposit dates to determine if the deposits per the bank statements agree to the general ledger.

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Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

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

Performance: Obtained a listing of locations that processed payments for the fiscal period from management and received management's representation in a separate letter. Determined that only one location processed payments.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties, 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.

Performance: Obtained a listing of those employees involved with non-payroll purchasing and payment functions along with written policies and procedures for those functions to determine if there was a proper segregation of duties for initiating, approving, and making purchases.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Obtained a listing of those employees involved with non-payroll purchasing and payment functions along with written policies and procedures for those functions to determine if there was a proper segregation of duties for processing and approving payments to vendors.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- 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.

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Performance: Inspected policy manual and inquired of management as to separation of duties related to vendor files.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- 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.

Performance: Inquired of management to determine if the employee responsible for processing payments mails those respective payments.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Obtained the completed general ledger for the fiscal period and obtained management's representations in a separate letter. Randomly selected five disbursements using a random number generator for check numbers to test the requirements below.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Determined that the five random disbursements matched their respective original invoices and that the invoices indicate that deliverables were received by the entity.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- b) Observe that the disbursement documentation included evidence of segregation of duties tested under #9, as applicable.

Performance: Determined whether the documentation for the five random disbursements gave evidence of the segregation of duties tested under #9 above.

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Exceptions: There were no exceptions noted.  
Management's response: Not applicable.

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

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

Performance: Obtained a listing of all active credit cards (including the card numbers and the person in possession of the card) and management's representation that the listing is complete.

Exceptions: There were no exceptions noted.  
Management's Response: Not applicable.

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

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder.
- b) Observe that finance charges and late fees were not assessed on the selected statements.

Performance: Randomly selected five credit cards for testing; randomly selected one month for each credit card and determined that supporting documentation was properly reviewed and approved in writing by someone other than the authorized user and that no finance charges or late fees were assessed.

Exceptions: There were no exceptions noted.  
Management's Response: Not applicable.

13. Using the monthly statements or combined statements selected under #12 above, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions. 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.

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Performance: For the statements selected for testing in #12, randomly selected ten transactions from each and determined that the charges were supported by an original, detailed, itemized receipt which included written documentation of business purpose and individuals participating in the meals, if applicable.

Exceptions: There were no exceptions noted.

Management's Response: Not applicable.

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

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

Performance: Obtained a list of all travel and related expense reimbursements. Management's representation of the listing was confirmed in a separate letter.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

a) If reimbursed using a per diem, observe that 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](http://www.gsa.gov)).

Performance: Determined that travel expenses were reimbursed using per diem rates at [www.gsa.gov](http://www.gsa.gov).

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Traced expenses to original itemed receipts, expense reports, and mileage reports.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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.

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Performance: Reviewed documentation of the business/public purpose for each expense, including name of individuals participating in meal, if applicable.  
Exceptions: There were no exceptions noted.  
Management's response: Not applicable.

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

Performance: Inspected each expense reimbursement request to find approval by supervisors and/or board member.  
Exceptions: There were no exceptions noted.  
Management's response: Not applicable.

**Contracts**

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Obtain management's representation that the listing is complete. Randomly select five contracts (or all contracts if less than five) from the listing, excluding the practitioner's contract, and:

Performance: Observed the listing of contracts in effect during the fiscal year from management and received management's representation of completeness in a separate letter.  
Exceptions: There were no exceptions noted.  
Management's response: Not applicable.

- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law, if required by law.

Performance: Determined that the Bureau does not have to comply with the Public Bid Law for any of the selected contracts in place.  
Exceptions: There were no exceptions noted.  
Management's response: Not applicable.

- b) Observe that the contract was approved by the governing body/board, if required by policy or law.

Performance: Determined that the selected contracts were approved by the board.  
Exceptions: There were no exceptions noted.  
Management's response: Not applicable.

- c) If the contract was amended, observe that the original contract terms provided for



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such an amendment and that amendments were made in compliance with the contract terms.

Performance: Determined that selected contracts did not include amendments to the original contracts.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- d) Randomly select one payment from the fiscal period for each of the five 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.

Performance: Inspected the randomly selected invoice and compared to the written contract information to determine that the invoice and related payment complied with the terms of the contract.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

**Payroll and Personnel**

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

Performance: Observed the listing of employees and received management's representation of completeness in a separate letter. Randomly selected five employees, obtained personnel files, and agreed pay rates to personnel files.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

- a) Observe that all selected employees or officials documented their daily attendance and leave.

Performance: Determined that all selected employees documented their daily attendance and leave for the selected pay period.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Determined that the attendance and leave of each employee for the selected pay period was approved by each employee's respective supervisor.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: For the five employees selected, determined that accrued and/or paid leave in the pay period was properly reflected in the Bureau's cumulative leave records.

Exceptions: There were no exceptions noted.

Management's Response: Not applicable.

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

Performance: For the five employees selected, determined that the pay rate as per the payroll check computation agreed to the pay rate in the personnel file.

Exceptions: There were no exceptions noted.

Management's Response: Not applicable

18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity 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.

Performance – Obtained a listing of the employees receiving termination payments and management's written representation that the list is complete. For the two such payments during the year, agreed the hours to the employees' cumulative leave records, agreed the pay rates to the employees' personnel files, and determined that the termination payments agreed to the Bureau's policy.

Exceptions: There were no exceptions noted.

Management's Response: Not applicable.

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19. Obtain management's representation that employer and employee portions of third-party payroll-related amounts have been paid, and any associated forms have been filed, by required deadlines.

Performance – Obtained management's representation that employer and employee portions of third-party payroll-related amounts have been paid, and any related forms have been timely filed.

Exceptions: There were no exceptions noted.

Management's Response: Not applicable.

**Ethics**

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

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

Performance: Observed the ethics course completion certificates for the employees/officials tested.

Exceptions: Documentation of ethics training was unavailable for one employee tested.

Management's response: Management considers this an isolated incident.

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

Performance: Determined that there were no changes to the ethics policy during the fiscal period to notify the employees/officials of.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

**Debt Service**

21. 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 that State Bond Commission approval was obtained for each bond/note issued.

Performance: Determined that no new debt had been issued during the fiscal period and received management's representation of completeness in a separate letter.

Exceptions: There were no exceptions noted.

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Management's response: Not applicable.

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

Performance: Obtained a listing of the outstanding debt at the end of the fiscal period and received management's representation of completeness in a separate letter. Inspected debt covenants, obtained supporting documentation for the balance and payments, and agreed the actual balance and payments to the required debt covenants for the one outstanding loan.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

**Fraud Notice**

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

Performance: Inquired of management of any misappropriations of public funds or assets and determined that none were noted.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Inquired and observed such notice posted on the premises and website.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

**Information Technology Disaster Recovery/Business Continuity**

25. Perform the following procedures and verbally discuss the results with management.

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for

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backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium, observe evidence that backups are encrypted before being transported.

- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past three months.
- c) Obtain a listing of the entity's computers currently in use, and their related locations, and management's representation that the listing is complete. Randomly select five computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting software in use are currently supported by the vendor.

Performance – We performed the procedures and discussed the results with management.

**Sexual Harassment**

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

Performance – Observed that the documentation demonstrates each employee tested completed one hour of sexual harassment training during the calendar year.

Exceptions: Documentation of sexual harassment training was unavailable for one employee tested.

Management's Response: Management considers this an isolated incidence.

27. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website.

Performance – Review the Bureau's website to determine if its sexual harassment policy is posted.

Exceptions – No exceptions noted.

Management's Response – Not applicable.

**Houma Area Convention and Visitors Bureau**

**Houma, Louisiana**

Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
Year Ended December 31, 2021

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

- a) Number and percentage of public servants in the Bureau who have completed the training requirements;
- b) Number of sexual harassment complaints received by the Bureau;
- c) Number of complaints which resulted in a finding that sexual harassment occurred;
- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e) Amount of time it took to resolve each complaint.

Performance – Obtained the Bureau's sexual harassment report and determined that it was dated prior to February 1. Determined that the number and percentage of public servants completing the training requirements was disclosed and that no sexual harassment complaints were received.

Exceptions – No exceptions noted.

Management's Response – Not applicable.