Louisiana State Board of
Private Investigator Examiners
State of Louisiana

Agreed-Upon Procedures Report
For the year ended June 30, 2026

TWRU
CPAs & Financial Advisors

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Independent Accountants' Report
On Applying Agreed-Upon Procedures

October 15, 2026

To the Board Members of Louisiana State Board of Private Investigator Examiners
And the Louisiana Legislative Auditor

We have performed the procedures enumerated below related to the Louisiana State Board of Private Investigator Examiners' (the Board) internal controls and compliance with laws and regulations for the fiscal period July 1, 2025, through June 30, 2026. The Board's management is responsible for its financial records and establishing internal controls to ensure accurate financial reporting, compliance with laws and regulations, and accountability over public funds.

The Board has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting users in understanding the controls that the Board uses to ensure accurate financial reporting, compliance with laws and regulations, and accountability over public funds. Additionally, the Louisiana Legislative Auditor has agreed to and acknowledged that the procedures performed are appropriate for their purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories, as applicable:

   a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
   No Exceptions Noted.

   b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law or state purchasing rules and regulations, as applicable to the entity; and (5) documentation required to be maintained for all bids and price quotes.
   No Exceptions Noted.

   c) ***Disbursements***, including processing, reviewing, and approving.
   No Exceptions Noted.

   d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue (e.g., periodic confirmation with outside parties, reconciliations of receipt number sequences, reasonableness of cash collections based on licenses issued).
   No Exceptions Noted.

   e) ***Payroll/Personnel***, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
   No Exceptions Noted.

f) ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
No Exceptions Noted.

g) ***Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
No Exceptions Noted

h) ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (2) documentation requirements, (3) timeframe in which requests must be submitted and (4) required approvers.
No Exceptions Noted.

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) requirements that all employees annually attest through signature verification that they have read the entity's ethics policy.
No Exceptions Noted.

j) ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
Not Applicable.

k) ***Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
No Exceptions Noted.

Annual Fiscal Report (AFR)

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

   The Board had variances greater than 10% in several categories beyond the Board's control including deferred outflows of OPEB resources and net pension liability. Compensated absences contained a variance of greater than 10% due to employees accruing more time. Net position also had a variance greater than threshold due to a prior period adjustment made this year which corrected an error.

Board Minutes/Meetings

3. Obtain and inspect the board minutes for the fiscal period, as well as the board's enabling legislation, charters, bylaws, or equivalent document in effect during the fiscal period, and:
   a) Observe that the board met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.
      No Exceptions Noted.

   b) Observe that the minutes referenced or included monthly budget to actual comparisons.
      No Exceptions Noted.

   c) Access the entity's online information included in the DOA's boards and commissions database (https://wwwcfprd.doa.louisiana.gov/boardsandcommissions/home.cfm) and observe that the entity submitted board meeting minutes for all meetings during the fiscal period.
      No Exceptions Noted.

Bank Reconciliations

4. Obtain a listing of bank accounts for the fiscal period from management and management's representation that the listing is complete. For each of the bank accounts in the listing provided by management, obtain bank statements and reconciliations for all months in the fiscal period and observe that:
   a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged).
      No Exceptions Noted.

   b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged).
      No Exceptions Noted.

   c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months at the statement closing date; and
      No Exceptions Noted.

   d) The reconciled balance for the final month of the fiscal period agrees to the general ledger.
      No Exceptions Noted.

Receipts/ Collections

5. Obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties), and observe that job duties for collections are properly segregated such that:

   a) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts or license applications received) to the deposit.
      No Exceptions Noted.

b) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
No Exceptions Noted.

c) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source are not responsible for collecting cash, unless another employee/official verifies the reconciliation.
No Exceptions Noted.

6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
No Exceptions Noted.

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

   a) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
   No Exceptions Noted.

   b) Trace the deposit slip total to the actual deposit per the bank statement.
   No Exceptions Noted.

   c) Observe that the deposit was made within one business day of collection (within one week if the depository is more than 10 miles from the collection location or deposit is less than $100).
   No Exceptions Noted.

   d) Trace the actual deposit per the bank statement to the general ledger.
   No Exceptions Noted.

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

9. For licensing boards, obtain a list of initial and renewal licenses granted during the period from management and management's representation that the listing is complete. Randomly select 10 individual applicants from the listing and obtain the supporting documentation (e.g. application, copy of check) from management and:

   a) Observe that the fee paid for license was the appropriate fee based on the applicable fee schedule established by the board or statute.
   No Exceptions Noted.

b) If a penalty was assessed (e.g. late fee), observe that the penalty was assessed and collected in accordance with the board's policies.
No Exceptions Noted.

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

    a) Observe that the board followed the established process to issue or renew the license.
    No Exceptions Noted.

    b) Observe the documentation contains evidence that the licensee meets or continues to meet (if renewal) the licensure requirements established by the board or statute, as applicable.
    No Exceptions Noted.

    c) Observe that the license was granted or approved by the board or the designated board member(s), as applicable.
    No Exceptions Noted.

11. For levee districts, obtain independent confirmation of the tax amounts received from the appropriate parish Sherriff's offices. Observe that the confirmed amount agrees to the amount deposited by levee district.
Not Applicable.

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

12. Obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

    a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
    No Exceptions Noted.

    b) At least two employees are involved in processing and approving payments to vendors.
    No Exceptions Noted.

    c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
    No Exceptions Noted.

    d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
    No Exceptions Noted.

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

    a) Observe that the disbursement matched the related original invoice/billing statement.
    No Exceptions Noted.

    b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #12, as applicable.
    No Exceptions Noted.

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

14. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete. Randomly select 2 monthly statements or combined statements for each card (for a debit card, randomly select 2 monthly bank statements), obtain supporting documentation, and:

    a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g. original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.
    No Exceptions Noted.

    b) Observe that finance charges and/or late fees were not assessed on the selected statements.
    No Exceptions Noted.

15. Obtain supporting documentation for all transactions included on the monthly statements or combined statements selected in #14 above. For each transaction, observe that it is supported by (1) An original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.
    No Exceptions Noted.

Travel and Travel-Related Expense Reimbursement

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

    a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana in PPM49 (https://www.doa.la.gov/pages/osp/travel/TravelPolicy.aspx) or the U.S. General Services Administration (www.gsa.gov).
    No Exceptions Noted.

b) If reimbursed using actual cost, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
No Exceptions Noted.

c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
No Exceptions Noted.

d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.
No Exceptions Noted.

Contracts

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

    a. Observe that the contract was bid in accordance with the Louisiana Public Bid Law or Louisiana Procurement Code (e.g. solicited quotes or bids, advertised), if required by law.
    No Exceptions Noted.

    b. Observe that the contract was approved by the governing body/board, if required by policy.
    No Exceptions Noted.

    c. If the contract was amended, observe that the original contract terms provided for such an amendment.
    Not Applicable.

    d. Randomly select one payment from the fiscal period of 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.
    No Exceptions Noted.

Payroll and Personnel

18. Obtain a listing of employees employed during the fiscal period and management's representation that the listing is complete. Randomly select five employees, obtain related paid salaries and their personnel files, and agree actual paid salaries to the authorized salaries/pay rates in the personnel file.
No Exceptions Noted.

19. Randomly select 2 pay periods during the fiscal period. For the employees selected under #18 above, obtain attendance records and leave documentation for the pay period, and:

    a) Observe that all selected employees documented their daily attendance and leave (e.g., vacation, sick, compensatory).
    No Exceptions Noted.

b) Observe that supervisors approved the attendance and leave of the selected employees.
No Exceptions Noted.

c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
No Exceptions Noted.

20. Obtain a listing of those employees that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee cumulative leave records, and agree the pay rates to the employees' authorized pay rates in the employees' personnel files.
Not Applicable.

21. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.
No Exceptions Noted.

Ethics

22. Using the five randomly selected employees from procedure #18 under "Payroll and Personnel" above, obtain ethics compliance documentation from management, and:

a) Observe that the documentation demonstrates each employee completed one hour of ethics training during the fiscal period.
No Exceptions Noted.

b) Observe that the documentation demonstrates each employee attested through signature verification that he or she read the entity's ethics policy during the fiscal period.
No Exceptions Noted.

23. Obtain a listing of board members from management. Randomly select five board members and observe documentation to demonstrate that required annual ethics training was completed.
No Exceptions Noted.

Budget

24. Obtain a copy of the legally adopted budget, including all amendments, and the board minutes. Observe the minutes contain approval of the budget and amendments.
No Exceptions Noted.

25. Compare the total revenues and total expenditures of the final budget to actual total revenues and total expenditures on the financial statements or AFR. Report variances of 10% or greater.
No Exceptions Noted.

26. Inquire of management whether the entity has updated its budget information in the DOA's boards and commissions database referred to in #3 above for the current fiscal period (i.e. period covered in these procedures). Access the online database and obtain the budget information for the current fiscal period. Observe that the budget information contained in the database agrees to the budget adopted by the entity's board.
    No Exceptions Noted.

Debt Service

27. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.
    Not Applicable.

28. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short- lived asset funds, or other funds required by the debt covenants).
    Not Applicable.

Sexual Harassment

29. Obtain and inspect the entity's written sexual harassment policies and procedures and observe that they address all requirements of R.S. 42:342-344, including agency responsibilities and prohibitions; annual employee training; and annual reporting requirements.
    No Exceptions Noted.

30. Obtain a listing of employees/board members employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/board members, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/board member completed at least one hour of sexual harassment training during the calendar year.
    No Exceptions Noted.

31. Observe that the entity has posted its sexual harassment policy and complaint procedures on its website.
    No Exceptions Noted.

32. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that it includes the applicable requirements of R.S. 42:344.
    No Exceptions Noted.

Other

33. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
    No Exceptions Noted.

34. Observe that the entity has posted on its premise and website, the notice required by R.S. 24:523,1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.
    No Exception Noted.

Corrective Action

35. Obtain management's response and corrective action plan for any exceptions noted in the above agreed-upon procedures.
    No Exception Noted.

Summary of Prior Year Findings & Corrective Action

2025-01: Obtain the financial statements from the AFR submitted to the Division of Administration's (DOA) Office of Statewide Reporting and Accounting Policy for the current and prior periods. Perform analytical procedures comparing current and prior period amounts, by line item. Report any variances of 10% or greater for line items that are 10% or more of the respective total assets/deferred outflows of resources, liabilities/deferred inflows of resources, net position, revenues, or expenses, and management's explanation of the variance.

Exception: The following line items have a greater than 10% change from prior year to current year:
- Cash & Cash Equivalents (14% decrease from prior year)
- OPEB - Deferred Outflows (42% increase from prior year)
- Pension-Deferred Outflows (24% increase from prior year)
- Non-Current OPEB Liability (37% increase from prior year)
- Net Pension Liability (23% decrease from prior year)
- Charges For Services Revenue (21% increase from prior year)
- Expenses (14% decrease from prior year)

Management Response/ Corrective Action: This is out of the board's control.

2025-02: Observe that the minutes referenced or included monthly budget to actual comparisons.

Exceptions: The Board does not review a budget to actual comparison during meetings.

Management's Response/Corrective Action: A budget to actual comparison report will be presented to the board at future meetings.

2025-03: Observe that the deposit was made within one business day of collection (within one week if the depository is more than 10 miles from the collection location or deposit is less than $100).

> ***Exceptions: All deposits tested were not made within one day of collections.***
>
> ***Management's Response/Corrective Action: The board office does not receive enough payments to make a daily deposit.***

2025-04: Compare the total revenues and total expenditures of the final budget to actual total revenues and total expenditures on the financial statements or AFR. Report variances of 10% or greater.

> ***Exceptions: Variances of both revenues and expenses are greater than a 10% when compared to current budget..***
>
> ***Management's Response/Corrective Action: Due to the fluctuating revenues received by the board from licensing and renewals of private investigative licenses, the budget may need to be adjusted periodically during the fiscal year. These changes will be noted and approved by the LSBPIE.***

We were engaged by Louisiana State Board of Private Investigator Examiners 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. An agreed-upon procedures engagement involves the practitioner performing specific procedures that the engaging party has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting findings based on the procedures performed. 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 the Louisiana State Board of Private Investigator Examiners' internal controls and compliance with laws and regulations. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Louisiana State Board of Private Investigator Examiners and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Louisiana State Board of Private Investigator Examiners and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than those specified parties. Under R.S. 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

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