

**ST. TAMMANY PARISH TOURIST AND  
CONVENTION COMMISSION  
ST. TAMMANY PARISH, LOUISIANA**

Financial Statements

For the Year Ended  
December 31, 2021



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## Independent Auditor's Report

To the Board of Commissioners  
St. Tammany Parish Tourist and Convention Commission  
St. Tammany Parish, Louisiana

### Opinion

We have audited the financial statements of the governmental activities and each major fund of St. Tammany Parish Tourist and Convention Commission (the Commission), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Commission as of December 31, 2021, and the respective changes in financial position thereof 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 Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **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 opinions. 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission'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 Commission'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 beginning on page 5 and the budgetary comparison schedule on page 25 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 the 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 opinions on the financial statements that collectively comprise the Commission's basic financial statements. The schedule of governing board and the schedule of compensation, benefits, and other payments to agency head or chief executive officer are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 governing board and the schedule of compensation, benefits, and other payments to agency head or chief executive officer are 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 May 24, 2022 on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.



A Professional Accounting Corporation

Baton Rouge, LA  
May 24, 2022

**REQUIRED SUPPLEMENTARY INFORMATION (PART I)  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

## ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION

### Management's Discussion and Analysis

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As management of St. Tammany Parish Tourist and Convention Commission (the Commission), we offer this narrative overview and analysis of the Commission's financial activities for the year ended December 31, 2021. All amounts, unless otherwise indicated, are expressed in whole dollars.

The management's discussion and analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 issued in June 1999.

As with other sections of this financial report, the information contained within this MD&A should be considered only a part of the greater whole. The readers of these statements should take time to read and evaluate all sections of this report, including the footnotes and the required and other supplementary information that are provided in addition to this MD&A.

### **FINANCIAL HIGHLIGHTS**

This annual report consists of a series of financial statements. The statement of net position and the statement of activities on pages 8 and 9, respectively, provide information about the activities of the Commission as a whole. Fund financial statements begin on page 11. The Commission's operations are conducted through the General Fund.

A summary of the basic government-wide financial statements is as follows:

#### SUMMARY STATEMENTS OF NET POSITION

	December 31, 2021	December 31, 2020
<b>Assets</b>		
Cash and Cash Equivalents	\$ 1,759,511	\$ 124,848
Investments	2,818,288	2,891,981
Receivables	749,777	415,458
Prepaid Expenses	96,864	113,559
Capital Assets (Net of Accumulated Depreciation)	312,357	355,110
<b>Total Assets</b>	<b>5,736,797</b>	<b>3,900,956</b>
<b>Liabilities</b>		
Accounts Payable	48,724	113,111
Accrued Liabilities	6,748	1,812
Unearned Revenue	1,464,158	232,437
Compensated Absences	33,590	39,465
<b>Total Liabilities</b>	<b>1,553,220</b>	<b>386,825</b>
<b>Net Position</b>		
Net Investment in Capital Assets	312,357	355,110
Unrestricted	3,871,220	3,159,021
<b>Total Net Position</b>	<b>\$ 4,183,577</b>	<b>\$ 3,514,131</b>

# ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION

## Management's Discussion and Analysis

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### SUMMARY STATEMENTS OF ACTIVITIES

	<b>For the Year Ended December 31, 2021</b>	For the Seven Months Ended December 31, 2020
<b>Revenues</b>		
Program Revenues		
Grant Revenue	\$ 229,555	\$ 2,700
General Revenues		
Sales Taxes		
Local Collections	2,092,938	706,560
State Appropriation	464,875	417,188
Miscellaneous Income	38,517	7,083
Interest Income	2,947	3,649
Gain and Losses (Net)	(4,422)	-
	<hr/>	<hr/>
<b>Total Revenues</b>	<b>2,824,410</b>	1,137,180
<b>Expenses</b>		
Promotion of Tourism	2,154,964	1,258,072
	<hr/>	<hr/>
<b>Total Expenses</b>	<b>2,154,964</b>	1,258,072
	<hr/>	<hr/>
<b>Change in Net Position</b>	<b>\$ 669,446</b>	\$ (120,892)

### **BUDGETARY HIGHLIGHTS**

The actual General Fund revenues were more than the budgeted amount by \$301,705. The actual General Fund expenditures were less than budgeted by \$11,973.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The Commission has the authority to levy 3% hotel occupancy tax. An increase in the tax is not anticipated for 2022.

### **CAPITAL ASSETS**

During the year ended December 31, 2021, net capital assets decreased by \$42,743 which was due to depreciation and disposals which exceed additions for the period.

### **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Commission's finances for all those with an interest in the Commission's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Donna O'Daniels, President/CEO, 68099 Hwy. 59, Mandeville, Louisiana 70471.



**BASIC FINANCIAL STATEMENTS  
GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION**  
**Statement of Net Position**  
**December 31, 2021**

**Statement A**

	<b>Governmental Activities</b>
<hr/>	
<b>Assets</b>	
Cash and Cash Equivalents	\$ 1,759,511
Investments	2,818,288
Receivables	749,777
Prepaid Expenses	96,864
Capital Assets, Net	<u>312,357</u>
<b>Total Assets</b>	<u>5,736,797</u>
<b>Liabilities</b>	
Accounts Payable	48,724
Accrued Liabilities	6,748
Unearned Revenue	1,464,158
Compensated Absences	<u>33,590</u>
<b>Total Liabilities</b>	<u>1,553,220</u>
<b>Net Position</b>	
Net Investment in Capital Assets	312,357
Unrestricted	<u>3,871,220</u>
<b>Total Net Position</b>	<u><u>\$ 4,183,577</u></u>

The accompanying notes are an integral part of these financial statements.

**ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION**  
**Statement of Activities**  
**For the Year Ended December 31, 2021**

**Statement B**

Functions / Programs	Expenses	Program Revenues Operating Grants	Net (Expense) Revenue and Change in Net Position Governmental Activities
<b>Governmental Activities</b>			
Promotion of Tourism	\$ 2,154,964	\$ 229,555	\$ (1,925,409)
<b>Total Governmental Activities</b>	<b>\$ 2,154,964</b>	<b>\$ 229,555</b>	<b>(1,925,409)</b>
<b>General Revenues</b>			
Sales Taxes			2,092,938
Local Collections			464,875
State Appropriation			38,517
Miscellaneous Income			2,947
Interest Income			(4,422)
Gains and Losses, Net			(4,422)
<b>Total General Revenues</b>			<b>2,594,855</b>
<b>Change in Net Position</b>			669,446
<b>Net Position, Beginning of Year</b>			<b>3,514,131</b>
<b>Net Position, End of Year</b>			<b>\$ 4,183,577</b>

The accompanying notes are an integral part of these financial statements.

**BASIC FINANCIAL STATEMENTS  
GOVERNMENTAL FUND FINANCIAL STATEMENTS**

**ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION**  
**Balance Sheet**  
**Governmental Fund**  
**December 31, 2021**

**Statement C**

	<b>General Fund</b>
<b>Assets</b>	
Cash and Cash Equivalents	\$ 1,759,511
Investments	2,818,288
Receivables	749,777
Prepaid Expenses	<u>96,864</u>
<b>Total Assets</b>	<b><u>\$ 5,424,440</u></b>
<b>Liabilities and Fund Balance</b>	
<b>Liabilities</b>	
Accounts Payable	\$ 48,724
Accrued Liabilities	6,748
Unearned Revenue	<u>1,464,158</u>
<b>Total Liabilities</b>	<u>1,519,630</u>
<b>Fund Balance</b>	
Nonspendable	96,864
Committed for:	
Emergency Operations	1,060,815
Unassigned	<u>2,747,131</u>
<b>Total Fund Balance</b>	<u>3,904,810</u>
<b>Total Liabilities and Fund Balance</b>	<b><u>\$ 5,424,440</u></b>

The accompanying notes are an integral part of these financial statements.

**ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION**  
**Reconciliation of the Governmental Fund Balance Sheet to the**  
**Government-Wide Statement of Net Position**  
**December 31, 2021**

**Statement D**

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<b>Fund Balance - Total Governmental Fund</b>	<b>\$ 3,904,810</b>
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund:

Governmental Capital Assets	1,149,667
Less: Accumulated Depreciation	(837,310)

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental fund:

Compensated Absences	<u>(33,590)</u>
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<b>Net Position of Governmental Activities</b>	<b><u>\$ 4,183,577</u></b>
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The accompanying notes are an integral part of these financial statements.

**ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Fund**  
**For the Year Ended December 31, 2021**

**Statement E**

	<b>General Fund</b>
<b>Revenues</b>	
Sales Taxes	
Local Collections	\$ 2,092,938
State Appropriation	464,875
Grant Revenue	229,555
Louisiana DCRT CAP Program	32,994
Miscellaneous Income	5,523
Interest Income	2,947
Proceeds from the Sale of Capital Assets	578
	<hr/>
<b>Total Revenues</b>	<b>2,829,410</b>
	<hr/>
<b>Expenditures</b>	
Tourism	
Personnel	
Salaries, Payroll Taxes, and Fringe Benefits	799,681
Marketing and Promotion	
Advertising	562,529
Brochures	159,171
Advertising - Website	101,868
Research and Development	66,582
Dues and Subscriptions	57,322
Special Promotions	57,080
Travel	40,743
International Marketing	27,831
Telephone	25,787
Auto Expenses	11,964
Trade Shows	8,939
Training	8,088
Postage and Shipping	4,816
Uniforms	448
General and Administrative	
Insurance	65,007
Office Supplies	27,730
Repairs and Maintenance	26,873
Professional Fees	26,839
Rent	12,618
Utilities	11,852
Equipment Rental	7,676
Auto Expenses	4,012
Official Notice Publication	3,084
Capital Outlay	4,546
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<b>Total Expenditures</b>	<b>2,123,086</b>
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<b>Net Change in Fund Balance</b>	<b>706,324</b>
<b>Fund Balance, Beginning of Year</b>	<b>3,198,486</b>
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<b>Fund Balance, End of Year</b>	<b>\$ 3,904,810</b>
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The accompanying notes are an integral part of these financial statements.

**ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION**  
**Reconciliation of the Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance of the Governmental Fund to the**  
**Government-Wide Statement of Activities**  
**For the Year Ended December 31, 2021**

**Statement F**

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<b>Net Change in Fund Balance - Total Governmental Fund</b>	<b>\$ 706,324</b>
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures; however, in the statement of activities, the cost of those assets is allocated over their estimated useful lives through depreciation expense. This is the amount by which depreciation exceeded capital outlay.	(37,753)
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The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position:

Gain on Sale of Assets	(5,001)
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental fund:

Change in Compensated Absences	<u>5,876</u>
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<b>Change in Net Position of Governmental Activities</b>	<b><u><u>\$ 669,446</u></u></b>
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The accompanying notes are an integral part of these financial statements.



# ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION

## Notes to Financial Statements

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### Note 1. Summary of Significant Accounting Policies

#### Introduction

The mission of St. Tammany Parish Tourist and Convention Commission (the Commission) is to promote and develop tourism within St. Tammany Parish (the Parish). It operates one tourist information center within the Parish and employs a staff of approximately 12 employees who coordinate advertisements and promotion of tourism for the Parish. The Commission's significant accounting policies are described below.

#### Reporting Entity

The Commission was created in 1976, by Ordinance 674 of St. Tammany Parish. It was re-established as a separate political body under the provisions of Act 47 of the 1995 regular session of the Louisiana Legislature. The Commission is governed by a Board of Commissioners that is appointed by the Parish. The Commission consists of seven commissioners. Six of the members serve terms of three years with the seventh commissioner serving a term of one year to be alternately appointed from the eastern and western corridors of the Parish.

Based on the criteria set forth in Section 2100 of Governmental Accounting Standards Board's (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, the Commission is not considered a component unit of St. Tammany Parish, nor does the Commission have any component units.

#### Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Commission. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The government-wide financial statements are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Commission's net position is reported in two parts: net investment in capital assets and unrestricted net position.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Interest earnings and other items not properly included among program revenues are reported instead as general revenues.

# ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION

## Notes to Financial Statements

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### Note 1. Summary of Significant Accounting Policies (Continued)

#### **Fund Financial Statements**

The Commission uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain commission functions and activities. A fund is a separate fiscal and accounting entity with a self-balancing set of accounts. The emphasis on fund financial statements is on the major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity or the total assets, liabilities, revenues, or expenditures of the individual governmental fund is at least 10 percent of the corresponding total for all governmental funds.

The General Fund is the primary operating and sole fund of the Commission. It accounts for all the financial transactions and is classified as a governmental fund type. The focus of the governmental fund's measurement is upon the determination of financial position and changes in financial position rather than upon net income.

#### **Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The governmental activities in the government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period, or soon enough thereafter to pay liabilities of the current period.

For this purpose, the Commission considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, compensated absences are recorded when paid.

Sales tax revenues are collected by the St. Tammany Parish Sheriff and are remitted to the Commission monthly. Taxes are remitted in the month following collection and are considered measurable at the month of collection. Accordingly, sales taxes collected in December 2021 and remitted in January 2022, have been reported as a receivable.

# ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION

## Notes to Financial Statements

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### Note 1. Summary of Significant Accounting Policies (Continued)

#### **Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

Each state fiscal year, the Louisiana Legislature has the authority to appropriate funds from state sales tax collections to be distributed to tourist and convention commissions throughout the State to be used for tourism development, including support for historic preservation and arts and humanities. The amount appropriated by the State is limited to state sales taxes on hotels and motels within St. Tammany Parish. The amounts appropriated by the State have been recorded in these financial statements. Payments are made quarterly.

#### **Budgets and Budgetary Accounting**

The Commission has adopted a budget for its General Fund. The budgetary practices include notice of the proposed budget, public inspection of the proposed budget, and public hearings on the budget prior to adoption. Any amendment involving increases in expenditures must be approved by the Commission. Budgeted amounts in the accompanying financial statements include all amendments. All budgeted amounts, which are not expended or obligated through contracts, lapse at year-end. The Commission's budget is materially consistent with accounting principles generally accepted in the United States of America.

#### **Cash and Cash Equivalents and Investments**

Cash includes amounts in demand deposits. Under state law, the Commission may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. The Commission may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

Cash and cash equivalents consist of cash, as defined above.

Investments, as required by GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, are reported at fair value.

#### **Receivables**

The Commission closely monitors outstanding accounts receivable balances and writes off to expense any balances that are determined to be uncollectible. At December 31, 2021, the Commission considered all remaining accounts receivable balances to be fully collectible. Accordingly, there was no allowance for doubtful accounts.

# ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION

## Notes to Financial Statements

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### Note 1. Summary of Significant Accounting Policies (Continued)

#### Capital Assets

Capital assets, which include building, improvements, furniture and fixtures, computers, and other assets, are reported in the government-wide financial statements. Capital assets are recorded at historical cost, or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Depreciation of all exhaustible capital assets is charged as an expense against the Commission's operations. In the fund financial statements, capital assets are accounted for as capital outlay expenditures upon acquisition.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, if applicable. All capital assets are depreciated using the straight-line method over the following useful lives:

Description	Estimated Useful Lives
Building and Improvements	10 - 30 Years
Furniture and Fixtures	7 Years
Computers and Software	5 - 12 Years
Other	5 - 12 Years

#### Compensated Absences

Employees accrue vacation leave at the rate of 5 to 30 days per anniversary year, according to years of service with the Commission. Employees may carry over a maximum of 10 unused vacation days after their anniversary date into the next year. Employees accrue sick leave at the rate of twelve days per anniversary year. Upon termination of employment, employees are paid any unused vacation leave, but any remaining sick leave is forfeited. At December 31, 2021, the Commission had accrued compensated absences payable of \$33,590, which has been reported on the statement of net position. Accrued compensated absences payable decreased by \$5,876 during the year ended December 31, 2021.

#### Fund Equity

Government-wide equity is classified as net position and displayed in two components:

1. *Net Investment in Capital Assets* - Consists of the historical cost of capital assets, including any restricted capital assets, net of accumulated depreciation.
2. *Unrestricted* - All other net position is reported in this category.

# ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION

## Notes to Financial Statements

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### Note 1. Summary of Significant Accounting Policies (Continued)

#### Fund Equity (Continued)

In the governmental fund financial statements, fund balances are classified as follows:

1. *Nonspendable* - Amounts that cannot be spent because they are in nonspendable form.
2. *Committed Fund Balance* - Amounts that can be used only for specific purposes determined by a formal action of the Board of Commissioners.
3. *Unassigned Fund Balance* - All amounts not included in other spendable classifications.

The Commission considers restricted fund balances to be spent for governmental expenditures first when both restricted and unrestricted resources are available.

#### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

#### Adoption of New Accounting Pronouncement

In the current year, the Commission adopted GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of GASB 89 are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. The adoption of this standard did not have an impact on the financial statements or the notes to the financial statements.

#### New Accounting Pronouncements - Not Yet Adopted

The GASB issued Statement No. 87, *Leases*. The objective of GASB 87 is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. In May 2020, the GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, postponing the effective date of GASB 87 to reporting periods beginning after June 15, 2021.

The GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. The Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements for government end users. The Statement is effective for fiscal years beginning after June 15, 2022.

# ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION

## Notes to Financial Statements

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### Note 1. Summary of Significant Accounting Policies (Continued)

#### **New Accounting Pronouncements - Not Yet Adopted (Continued)**

The GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. This Statement amends Questions 4.3 and 4.5 of Implementation Guide 201-2. The requirements of this Statement related to the accounting and financial reporting for Internal Revenue Code Section 457 plans are effective for fiscal years beginning after June 15, 2021.

### Note 2. Cash and Cash Equivalents

The following is a summary of cash and cash equivalents (book balances) at December 31, 2021:

Demand Deposits	<u>\$ 1,759,511</u>
-----------------	---------------------

These deposits are stated at cost, which approximates market.

Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Custodial credit risk is the risk that, in the event of a financial institution failure, the Commission's deposits may not be recovered. At year-end, the carrying amount of the Commission's bank balance was \$1,784,293. Of the bank balance, \$420,193 was covered by federal deposit insurance. At December 31, 2021, bank deposits in the amount of \$1,364,100 were not secured by pledged collateral, which is a violation of state law.

### Note 3. Investments

At December 31, 2021, the Commission had investments of \$2,818,288, which are invested in Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.126, the investment in LAMP is not categorized in the three risk categories provided by GASB Codification Section 150.125 because the investment is in a pool of funds and, therefore, not evidenced by securities that exist in physical or book-entry form.

## ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION

### Notes to Financial Statements

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#### Note 3. Investments (Continued)

LAMP is administered by Louisiana Asset Management Pool, Inc. (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 Louisiana Revised Statute 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 money market-like 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% disclosure requirement.
- *Interest rate risk*: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days. The WAM for LAMP's total investments was 58 as of December 31, 2021.
- *Foreign currency risk*: Not applicable to money market-like pools.

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 value of the pool shares. LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the Securities and Exchange Commission as an investment company. If you have any questions, please feel free to contact the LAMP administrative office at 800-249-5267.

# ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION

## Notes to Financial Statements

### Note 4. Receivables

Receivables as of December 31, 2021 consisted of the collected monies due from:

Taxes		
St. Tammany Parish Sheriff's Office	\$	260,431
State of Louisiana		464,875
Other		<u>24,471</u>
<b>Total</b>	<b>\$</b>	<b><u>749,777</u></b>

### Note 5. Capital Assets

Changes in capital assets for the year ended December 31, 2021 are as follows:

<b>Governmental Activities</b>	<b>Balance 12/31/20</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance 12/31/21</b>
<b>Capital Assets Being Depreciated</b>				
Buildings and Improvements	\$ 892,956	\$ -	\$ -	\$ 892,956
Furniture and Fixtures	55,482	-	(25,740)	29,742
Computers and Software	146,035	4,546	(6,031)	144,550
Other	<u>108,850</u>	-	<u>(26,431)</u>	<u>82,419</u>
<b>Total Capital Assets Being Depreciated</b>	<u>1,203,323</u>	<u>4,546</u>	<u>(58,202)</u>	<u>1,149,667</u>
<b>Less Accumulated Depreciation for:</b>				
Buildings and Improvements	(608,127)	(29,190)	-	(637,317)
Furniture and Fixtures	(53,492)	(630)	25,740	(28,382)
Computers and Software	(100,613)	(11,697)	6,031	(106,279)
Other	<u>(85,980)</u>	<u>(782)</u>	<u>21,431</u>	<u>(65,331)</u>
<b>Total Accumulated Depreciation</b>	<u>(848,212)</u>	<u>(42,299)</u>	<u>53,201</u>	<u>(837,310)</u>
<b>Total Capital Assets Being Depreciated, Net</b>	<u>\$ 355,111</u>	<u>\$ (37,753)</u>	<u>\$ (5,001)</u>	<u>\$ 312,357</u>

### Note 6. Accounts Payable

At December 31, 2021, accounts payable consisted of the following:

	<b>General Fund</b>
Trade Payables	\$ 48,515
Credit Card Payable	<u>209</u>
<b>Total</b>	<b><u>\$ 48,724</u></b>



# ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION

## Notes to Financial Statements

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### **Note 7. Compensation Paid to Commissioners**

The Commissioners received no compensation from the Commission for the year ended December 31, 2021.

### **Note 8. Contingent Liabilities**

The Commission is contingently liable to St. Tammany Parish for the acreage transferred to the Commission in a prior year, in the event that the Commission no longer has a need to utilize this land donated by the Parish. The Commission has agreed to give the Parish the first right to buy the property. In the event the Parish does not exercise its first right to buy the property, then, upon subsequent sale of the property, the Commission must reimburse the Parish an amount of money equal to the fair market value of the land at the time of sale, less improvements, based upon an appraisal to be determined by two independently chosen appraisers.

### **Note 9. Deferred Compensation Plan**

Certain employees of the Commission participate in the Louisiana Public Employees' Deferred Compensation Plan (the Plan) adopted under the provisions of Internal Revenue Code Section 457. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

### **Note 10. Litigation and Claims / Risk Management**

The Commission is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Commission attempts to minimize risk from significant losses through the purchase of commercial insurance.

**REQUIRED SUPPLEMENTARY INFORMATION (PART II)  
BUDGETARY COMPARISON SCHEDULE**

**ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Year Ended December 31, 2021**

**Schedule 1**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amounts Budgetary Basis</b>	<b>Variance with Final Budget Favorable/ (Unfavorable)</b>
<b>Revenues</b>				
Sales Taxes				
Local Collections	\$ 1,100,000	\$ 1,785,500	\$ 2,092,938	\$ 307,438
State Appropriation	300,000	464,875	464,875	-
Grant Revenue	-	252,180	229,555	(22,625)
Louisiana DCRT CAP Program	20,000	20,000	32,994	12,994
Miscellaneous Income	-	3,500	5,523	2,023
Interest Income	1,650	1,650	2,947	1,297
Proceeds from the Sale of Capital Assets	-	-	578	578
<b>Total Revenues</b>	<b>1,421,650</b>	<b>2,527,705</b>	<b>2,829,410</b>	<b>301,705</b>
<b>Expenditures</b>				
Tourism				
Personnel				
Salaries, Payroll Taxes, and Fringe Benefits	846,809	846,409	799,681	46,728
Marketing and Promotion				
Advertising	490,000	490,000	562,529	(72,529)
Brochures	195,000	185,000	159,171	25,829
Advertising - Website	96,000	96,000	101,868	(5,868)
Research and Development	75,000	70,000	66,582	3,418
Dues and Subscriptions	58,000	58,000	57,322	678
Special Promotions	100,000	60,000	57,080	2,920
Travel	60,000	30,000	40,743	(10,743)
International Marketing	65,000	30,000	27,831	2,169
Telephone	31,000	26,000	25,787	213
Auto Expenses	13,000	8,000	11,964	(3,964)
Trade Shows	36,000	15,000	8,939	6,061
Training	12,000	12,000	8,088	3,912
Postage and Shipping	12,000	6,000	4,816	1,184
Uniforms	150	150	448	(298)
General and Administrative				
Insurance	60,000	60,000	65,007	(5,007)
Office Supplies	25,000	25,000	27,730	(2,730)
Repairs and Maintenance	35,000	25,000	26,873	(1,873)
Professional Fees	50,000	35,000	26,839	8,161
Rent	15,000	12,000	12,618	(618)
Utilities	14,000	12,000	11,852	148
Equipment Rental	9,500	8,000	7,676	324
Auto Expenses	4,500	4,500	4,012	488
Official Notice Publication	2,500	2,500	3,084	(584)
Travel	500	500	-	500
Capital Outlay	50,000	18,000	4,546	13,454
<b>Total Expenditures</b>	<b>2,355,959</b>	<b>2,135,059</b>	<b>2,123,086</b>	<b>11,973</b>
<b>Net Change in Fund Balance</b>	<b>\$ (934,309)</b>	<b>\$ 392,646</b>	<b>706,324</b>	<b>\$ 313,678</b>
<b>Fund Balance, Beginning of Year</b>			<b>3,198,486</b>	
<b>Fund Balance, End of Year</b>			<b>\$ 3,904,810</b>	

See independent auditor's report.

## **OTHER SUPPLEMENTARY INFORMATION**

**ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION**  
**Schedule of Governing Board**  
**For the Year Ended December 31, 2021**

<b>Board of Commissioners</b>	<b>Term of Office</b>	<b>Compensation</b>
Bonnie Eades 921 Beauregard Parkway Covington, LA 70433	December 31, 2021	\$-0-
Mark Myers 84 Chamale Cove Slidell, LA 70460	December 31, 2022	\$-0-
Katherine Diemont 139 Egret Street Covington, LA 70433	December 31, 2022	\$-0-
Marlaine Peachey 8 Jennifer Court Mandeville, LA 70448	December 31, 2023	\$-0-
Thomas J. (T.J.) Smith, Jr. 62390 John Smith Road Pearl River, LA 70452	December 31, 2023	\$-0-
Patti Elish 127 Tchefuncte South Drive Covington, LA 70433	December 31, 2021	\$-0-
Alex Carolla 503 Pinecrest Court Slidell, LA 70458	December 31, 2021	\$-0-

See independent auditor's report.

**ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION**  
**Schedule of Compensation, Benefits, and Other Payments**  
**to Agency Head or Chief Executive Officer**  
**For Year Ended December 31, 2021**

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**Agency Head**

Donna O'Daniels, President/CEO

<b>Purpose</b>	<b>Amount</b>
Salary	\$124,715
Benefits - Insurance	\$14,919
Benefits - Retirement	\$12,472
Benefits - Other	\$0
Car Allowance	\$6,000
Vehicle Provided by Government	\$0
Per Diem	\$0
Reimbursements	\$980
Other Travel and Meals (State Meetings)	\$884
Registration Fees	\$0
Trade Shows and Conventions	\$1,446
Continuing Professional Education Fees	\$0
Housing	\$0
Unvouchered Expenses	\$0
Cell Phone, Email, and Internet Access	\$2,011
Special Meals	\$0

See independent auditor's report.

**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  
St. Tammany Parish Tourist and Convention Commission  
St. Tammany Parish, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of St. Tammany Parish Tourist and Convention Commission (the Commission), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated May 24, 2022.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings and responses as item 2021-001.

### **Commission's Response to Finding**

The Commission's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. The Commission's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.



A Professional Accounting Corporation

Baton Rouge, LA  
May 24, 2022



**ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION**  
**Schedule of Findings and Responses**  
**For the Year Ended December 31, 2021**

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

Financial Statements

- |  |            |
|--|------------|
| 1. Type of auditor's report issued:  | Unmodified |
| 2. Internal control over financial reporting and compliance and other matters: |            |
| a. Material weaknesses identified?   | No         |
| b. Significant deficiencies identified?  | No         |
| c. Noncompliance material to the financial statements identified?              | Yes        |
| d. Other matters identified?   | No         |
| 3. Management letter comment provided?   | None       |

Federal Awards

Not applicable.

**Part II - Findings Related to the Financial Statements**

None.

**Part III - Compliance and Other Matters**

**2021-001 Inadequate Collateralization of Bank Deposits**

*Criteria:* Louisiana Revised Statute 39:1219 requires each fiscal agent bank to pledge collateral in an amount sufficient to guarantee against loss of the uninsured deposits of the local government.

*Condition:* At December 31, 2021, the Commission's bank deposits totaled \$1,784,293, of which \$420,193 was covered by insurance. The remaining balance of \$1,364,100 was unsecured.

*Cause:* The Commission's fiscal agent bank failed to pledge sufficient collateral.

*Effect:* Noncompliance with state law.

*Recommendation:* We recommend that the Commission request its fiscal agent bank to pledge additional collateral.

*Management's Response:* Subsequent to year-end, the Commission's fiscal agent bank pledged additional collateral to secure the Commission's uninsured bank deposits.

**ST. TAMMANY PARISH TOURIST AND CONVENTION COMMISSION**  
**Schedule of Findings and Responses (Continued)**  
**For the Year Ended December 31, 2021**

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**Part IV - Prior Year Findings**

None.

## **AGREED-UPON PROCEDURES REPORT**

St. Tammany Parish Tourist and Convention Commission

Independent Accountant's Report  
On Applying Agreed-Upon Procedures

**For the Period from January 1, 2021 to July 31, 2021**

To the Board of Commissioners and the Legislative Auditor  
St. Tammany Parish Tourist and Convention Commission  
St. Tammany Parish, Louisiana

We have performed the procedures enumerated below on the control and compliance areas identified by the Louisiana Legislative Auditor (LLA) in accordance with the authority of Act 774 of the 2014 Regular Legislative Session (the Subject Matter). The St. Tammany Parish Tourist and Convention Commission is responsible for the Subject Matter.

Management of the St. Tammany Parish Tourist and Convention Commission 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 control and compliance areas identified by the LLA in accordance with the authority of Act 774 of the 2014 Regular Legislative Session for the fiscal period January 1, 2021 to July 31, 2021. Additionally, the LLA has agreed to and acknowledged that the procedures performed are appropriate to meet 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:

### ***Payroll and Personnel***

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1. Obtain and inspect the entity's written policies and procedures over payroll/personnel and observe that they address (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.
2. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

3. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #2 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 (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
  - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
  - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
  - d) Observe that the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
4. 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 official's cumulative leave records, agree the pay rates to the employee or official's authorized pay rates in the employee or official's personnel files, and agree the termination payment to entity policy.
5. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

**Results:** We obtained the written policies and procedures and noted that all of the required elements except for approval of pay rate. We noted no exceptions as a result of performing procedures 2 through 4. We obtained management's representation that listing of employees and officials was complete and that employer and employee portions of payroll related amounts were paid and associated forms filed by required deadlines.

## ***Ethics***

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1. Obtain and inspect the entity's written policies and procedures over ethics and observe that they address (1) the prohibitions as defined in Louisiana Revised Statutes (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) a 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.

2. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Obtain ethics documentation from management for 5 randomly selected employees, and:
  - a) Observe that the documentation demonstrates that each employee/official completed one hour of ethics training during the fiscal period.
  - b) Observe that the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

**Results:** No exceptions were noted as a result of performing these procedures.

### ***Sexual Harassment***

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1. Obtain and inspect the entity's written policies and procedures over sexual harassment prevention and observe that they include R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.
2. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials and obtain sexual harassment training documentation from management for each of the selected employees and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.
3. Observe that the entity has posted its sexual harassment policy and complaint procedures on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
4. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1<sup>st</sup>, and observe that it includes the applicable requirements of R.S. 42:344:
  - a) Number and percentage of public servants in the agency who have completed the training requirements;
  - b) Number of sexual harassment complaints received by the agency;
  - 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.

**Results:** No exceptions were noted as a result of performing these procedures.

We were engaged by the St. Tammany Parish Tourist and Convention Commission 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 control and compliance areas identified by the LLA. 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 St. Tammany Parish Tourist and Convention Commission 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 for the use of management of the St. Tammany Parish Tourist and Convention Commission and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

Baton Rouge, LA  
May 24, 2022