

Iberia Parish Council
New Iberia, Louisiana

Agreed-Upon Procedures Report
Fire Protection District No. 1

Fiscal period January 1, 2023 through December 31, 2023

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

Brad E. Kolder, CPA, JD*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Stephen J. Anderson, CPA*
Matthew E. Margaglio, CPA*
Casey L. Ardoin, CPA, CFE*
Wanda F. Arcement, CPA
Bryan K. Joubert, CPA
Nicholas Fowlkes, CPA
Deidre L. Stock, CPA

Of Counsel
C. Burton Kolder, CPA*

Victor R. Slaven, CPA* - retired 2020
Christine C. Doucet, CPA - retired 2022
Gerald A. Thibodeaux, Jr., CPA* - retired 2024

* A Professional Accounting Corporation

183 S. Beadle Rd.
Lafayette, LA 70508
Phone (337) 232-4141

1428 Metro Dr. 450 E. Main St.
Alexandria, LA 71301 New Iberia, LA 70560
Phone (318) 442-4421 Phone (337) 367-9204

200 S. Main St. 1201 David Dr.
Abbeville, LA 70510 Morgan City, LA 70380
Phone (337) 893-7944 Phone (985) 384-2020

434 E. Main St. 11929 Bricksome Ave.
Ville Platte, LA 70586 Baton Rouge, LA 70816
Phone (337) 363-2792 Phone (225) 293-8300

WWW.KSRCPAS.COM

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

M. Larry Richard, Parish President
and Iberia Parish Council
and the Fire Protection District No. 1 of Iberia Parish

We have performed the procedures enumerated below, which were agreed to by Iberia Parish Council and the Fire Protection District No. 1 of Iberia Parish (District) on selected control and compliance (C/C) areas for the fiscal period January 1, 2023 through December 31, 2023. The District's management is responsible for those C/C areas.

Iberia Parish Council has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of testing the control and compliance environment of the District. Additionally, the District and its Director 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 exceptions are as follows:

Written Policies and Procedures

1. Obtain and inspect the District's written policies and procedures, as applicable:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - b) **Purchasing**, including (1) how purchases are initiated; (2) the preparation and approval process of purchase requisitions and purchase orders; (3) controls to ensure compliance with public bid law; and (4) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving invoices.
 - 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 including grant funding.
 - e) **Payroll/Personnel**, including reviewing and approving time and attendance records, including leave and overtime worked.
 - f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

- g) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- h) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that all employees annually attest through signature verification that they have read the entity's ethics policy.
- i) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- j) **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.
- k) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

In some cases, the District may follow the Parish's policies.

District or Finance Committee

- 2. Obtain and inspect the District minutes for the review period, as well as the District's enabling legislation, charter, bylaws, or equivalent document in effect during the review period, and:
 - a) Observe that the District met during the review period on a frequency in accordance with the District's enabling legislation, charter, bylaws, or other equivalent document.
 - b) Randomly select one meeting. Review that minutes (1) contain reference that a financial report was provided and (2) minutes of the selected meeting were properly and timely published in the official journal and posted to the Parish's website and/or the District's website in accordance with Parish Ordinance #2018-09-4928.

Non-Payroll Disbursements

- 3. Obtain a listing of those employees involved with non-payroll purchasing 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.
 - b) At least two employees are involved in processing and approving payments to vendors.
- 4. Obtain the entity's non-payroll disbursement transaction population and obtain management's representation that the population is complete. Randomly select 5 disbursements, obtain supporting documentation for each transaction and:
 - 1. Observe that the disbursement matched the related original invoice/billing statement.
 - 2. Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #3, as applicable.

3. Observe that the disbursement is properly supported by a purchase order and that said disbursement is properly coded to the general ledger. Purchase amounts and requisitions should be in accordance with the District's purchasing policy as well as State Law.
5. For equipment acquired with bond proceeds (GL account #1050-574100-2210-0000-9056) during the current fiscal year, select two 2 largest expenditures based on amount and verify that said funding was budgeted, requisition was initiated and approved, purchase order was approved and issued, public law was adhered to and payment was supported with approved invoice. Physically inspect said acquisitions.

Contracts

6. Inquire of management of all agreements/contracts for professional services, leases, and construction activities that were initiated or renewed during the review period. *Alternately, the practitioner may use an equivalent selection source, such as the year-to-date fund general ledger.* Randomly select 2 contracts from the listing, and:
 - a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - b) Observe that the contract was approved by the District, if required by policy or law.
 - c) If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment.
 - d) Randomly select one payment from the review period for each of the selected 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.

Payroll and Personnel

7. Obtain a listing of employees and officials employed during the review period and management's representation that the listing is complete. Randomly select 2 employees, obtain related personnel files, and agree authorized hourly pay rates in the personnel files. Recalculate total gross pay including regular pay and overtime pay without exception.
8. Randomly select one pay period during the review period. For the 2 employees selected under #7 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe that the selected employees documented his/her daily attendance and leave (e.g., vacation, sick).
 - b) Observe that supervisors approved the attendance and leave of the selected employee.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - d) Observe the completeness of the employee's timecard for the review period.
9. For employees selected in #7, determine if said employees have satisfactorily completed Application with State Supplemental Pay. Review completed application. For pay period, selected in #7, obtain monthly State Supplemental Pay report and verify that monthly pay reported for selected employees matches the amount included in the payroll system for that month.
10. Observe that the documentation demonstrates that the selected employees completed one hour of ethics training during the fiscal period. In addition to the 2 employees selected, use the meeting minutes selected in 2b above to select one District member at random to demonstrate compliance with required ethics training.

Fraud Notice

11. 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 District, Parish Government, legislative auditor, and the district attorney of the parish in which the entity is domiciled.
12. 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.

Information Technology Disaster Recovery/Business Continuity

13. 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 backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), 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 3 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 2 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

Sexual Harassment

14. Using the employees/officials selected from #7 and #10 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.

Findings:

No exceptions were found as a result of the procedures listed above with the exception of:

Written Policies and Procedures

The District does not have separate written policies and procedures from those implemented and adopted by the Parish Council.

District Minutes

The District's board did not meet monthly.

The minutes selected for testing did not reference that a financial report was provided to the District board members, were not published in the official journal and were not posted on the Parish or District's website.

Payroll & Personnel

One of the three individuals tested did not complete one hour of ethics training.

Sexual Harassment

One of the three individuals tested did not complete one hour of sexual harassment training.

Management's Response:

Management of Iberia Parish Council and the District concurs with the exceptions and is working to address the deficiencies identified.

We were engaged by Iberia Parish Council 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 the control and compliance environment of the District. 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 Iberia Parish Council and the District 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 Parish Council Agreed Upon Procedures, 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.

Kolder, Slaven & Company, LLC

Certified Public Accountants

New Iberia, Louisiana
June 26, 2024