

**LIVE OAK MANOR VOLUNTEER
FIRE COMPANY, INC.**

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

**LIVE OAK MANOR VOLUNTEER FIRE COMPANY, INC.
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INDEPENDENT AUDITOR'S REPORT

Camnetar & Co., CPAs

a professional accounting corporation

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Live Oak Manor Volunteer Fire Company, Inc.

Report on the Audit of the Financial Statements

Opinion

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

In our opinion, the financial statements present fairly, in all material respects, the financial position of Live Oak Manor Volunteer Fire Company, Inc. as of December 31, 2023, and the changes in its net assets and cash flows for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Live Oak Manor Volunteer Fire Company, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Live Oak Manor Volunteer Fire Company, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Live Oak Manor Volunteer Fire Company, Inc.'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 Live Oak Manor Volunteer Fire Company, Inc.'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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 2, 2024, on our consideration of the Live Oak Manor Volunteer Fire Company, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Live Oak Manor Volunteer Fire Company, Inc.'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 Live Oak Manor Volunteer Fire Company, Inc.'s internal control over financial reporting and compliance.

Camnetar & Co.

Camnetar & Co., CPAs

a professional accounting corporation

Gretna, Louisiana

July 2, 2024

FINANCIAL STATEMENTS

LIVE OAK MANOR VOLUNTEER FIRE COMPANY, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 1,169,902
Total Current Assets	1,169,902

PROPERTY AND EQUIPMENT

Land	2,700
Buildings and Improvements	106,463
Machinery and Equipment	824,244
Furniture and Fixtures	72,764
	1,006,171
Less: Accumulated Depreciation	(884,521)
Net Property and Equipment	121,650

OTHER ASSETS

Other Investment-Cash value of Life Insurance	181,529
Certificate of deposits	206,000
Total Other Assets	387,529

TOTAL ASSETS	\$ 1,679,081
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LIABILITIES AND NET ASSETS

LIABILITIES

Accrued Liabilities	\$ 7,163
TOTAL LIABILITIES	7,163

NET ASSETS

Without donor restrictions	1,671,918
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TOTAL LIABILITIES AND NET ASSETS	\$ 1,679,081
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The accompanying notes are an integral part of these financial statements.

LIVE OAK MANOR VOLUNTEER FIRE COMPANY, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023

REVENUES

Intergovernmental Contributions	
Jefferson Parish Millage Allocation	\$ 1,047,884
State Supplemental Pay	62,400
Miscellaneous Income	
Workman's compensation dividend	31,230
Other miscellaneous income	10,031
Interest income	19,269
Total Revenues	<u>1,170,814</u>

EXPENSES

Administrative Costs	49,240
Firefighting Costs	935,576
Total Expenses	<u>984,816</u>

**INCREASE (DECREASE) IN NET ASSETS
WITHOUT DONOR RESTRICTION**

185,998

**NET ASSETS WITHOUT DONOR RESTRICTIONS-
BEGINNING OF YEAR**

1,485,920

**NET ASSETS WITHOUT DONOR RESTRICTIONS-
END OF YEAR**

\$ 1,671,918

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

LIVE OAK MANOR VOLUNTEER FIRE COMPANY, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in Net Assets	\$ 185,998
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	19,238
(Increase) Decrease in operating assets	
Other Receivable	142,063
Increase (Decrease) in operating liabilities	
Accrued Liabilities	2,378
Net Cash Provided By (Used In) Operating Activities	349,677
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of fixed assets	(11,016)
Purchase of investment-certificate of deposits	(6,000)
Net Cash Provided By (Used In) Investing Activities	(17,016)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	332,661
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	837,241
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 1,169,902

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

LIVE OAK MANOR VOLUNTEER FIRE COMPANY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

EXPENSES	<u>Administrative</u>	<u>Firefighting</u>	<u>Fundraising</u>	<u>Total</u>
Accounting	\$ 949	\$ 18,026	\$ -	\$ 18,975
Bank charges	35	673	-	708
Conference and travel	-	-	-	-
Depreciation	962	18,276	-	19,238
Dues and subscriptions	44	827	-	871
Equipment and gear	110	2,098	-	2,208
Fire prevention	286	5,428	-	5,714
Insurance	8,089	153,697	-	161,786
Medical	32	613	-	645
Miscellaneous	43	818	-	861
Office expense	1,145	21,761	-	22,906
Payroll taxes	2,056	39,070	-	41,126
Pension plan	91	1,729	-	1,820
Postage	13	245	-	258
Repairs-stations and vehicles	5,445	103,448	-	108,893
Salaries and wages	26,607	505,530	-	532,137
Supplies	574	10,901	-	11,475
Telephone and utilities	2,015	38,288	-	40,303
Training	661	12,566	-	13,227
Uniforms	83	1,582	-	1,665
	<u>\$ 49,240</u>	<u>\$ 935,576</u>	<u>\$ -</u>	<u>\$ 984,816</u>

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

**LIVE OAK MANOR VOLUNTEER FIRE COMPANY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

DESCRIPTION OF ACTIVITIES

Live Oak Manor Volunteer Fire Company, Inc. (a non-profit organization) was established to provide firefighting to a prescribed sector of the Seventh Fire District, Parish of Jefferson. The organization is under a 10-year contract with Jefferson Parish to provide fire protection to the prescribed sector of the Seventh District. Live Oak Manor Volunteer Fire Company, Inc. received the vast majority of its financial support from the Parish of Jefferson.

A summary of the Live Oak Manor Volunteer Fire Company, Inc.'s significant accounting policies applied in the preparation of the accompanying financial statements follows.

BASIS OF ACCOUNTING AND PRESENTATION

The financial statements are prepared on the accrual basis. Under that basis, revenues are recognized when earned and expenses are recognized when incurred.

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in its Accounting Standards Codification (ASC) 958, *Financial Statements of Not-for-Profit Organizations*. Under FASB ASC 958, information regarding financial position and activities is reported according to the following net assets: net assets without donor-restrictions and net assets with donor-restrictions. Revenues are reported as increases in net assets without donor restrictions unless use of the assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Expirations of donor restrictions on net assets are reported as reclassifications between the applicable classes of net assets. As of December 31, 2023, Live Oak Manor Volunteer Fire Company, Inc. had only net assets without donor-restrictions.

Revenue

Substantially all the fire department's revenue is derived from funds provided by Jefferson Parish, to provide firefighting and rescue services to the designated area of Jefferson Parish and is considered an exchange transaction within the scope of ASC Topic 606, *Revenue from Contracts with Customers*. The Parish pays the fire department monthly installments which represent the net proceeds of millage levied annually on the assessed valuation of property in Jefferson Parish. The revenue is recognized as the services are performed monthly.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents, for cash flow statement purposes, include investments in highly liquid debt instruments with maturities of three months or less, including amounts whose use is limited by board designation.

INVESTMENTS

Investment-cash value life insurance is recorded at policy's surrender value.

**LIVE OAK MANOR VOLUNTEER FIRE COMPANY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

FUNCTIONAL EXPENSES

The costs of providing the various firefighting programs, administrative activities, and other general activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and support activities based on management's estimates of time and percentages used to conduct those functions.

COMPENSATED ABSENCES

A liability has not been recorded for accumulated vacation or sick leave because it is nonvesting.

PROPERTY, PLANT AND EQUIPMENT

Property, Plant and Equipment consists of building improvements, fire and office equipment, and furniture and fixtures with a useful life greater than 1 year are capitalized. The assets are recorded at cost or estimated historical cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The asset lives range from 5 to 40 years.

DONATED SERVICES

The value of donated services is not reflected in the accompanying financial statements since there is no objective basis available by which to measure the value of such services. However, a substantial number of volunteers have donated significant amounts of their time to the Organization's firefighting activities.

INCOME TAXES

The fire company is exempt from income taxes under Internal Revenue Code section 501(c) (4) as a nonprofit organization and thus these financial statements contain no provision for income taxes.

ACCOUNTING FOR UNCERTAIN TAX POSITIONS UNDER FASB ASC 740-10

Accounting standards provide detailed guidance for the financial statement recognition, measurement and disclosure of uncertain tax positions recognized in a company's financial statements. Under accounting standards, an entity is required to recognize the financial statement impact of a tax position when it is more likely than not that the position will be sustained upon examination. Management has evaluated its significant tax position against certain criteria established by these accounting standards and believes there are no such tax positions requiring accounting recognition. The Company's federal and state tax returns are subject to examination by taxing authorities for the years ended December 31, 2023, 2022, and 2021. As of December 31, 2023, management evaluated the fire company's tax position and concluded that the fire company has taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance.

**LIVE OAK MANOR VOLUNTEER FIRE COMPANY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION

Cash paid during the year for:

Interest	\$ -
Taxes	\$ -

ON-BEHALF PAYMENTS

Supplemental pay which is paid directly to employees of Live Oak Manor Volunteer Fire Company, Inc. by the State of Louisiana, Department of Public Safety under the provision of L.R.S. 33:2002, is recognized as revenue and salary expenses in the year in which paid. For the year ended December 31, 2023, the amount recognized as revenue and expenses was \$62,400.

USE OF ESTIMATES

The preparation of financial statements 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 support and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - CASH AND CASH EQUIVALENTS

Following is a schedule of cash balances in financial institutions for the year ended 12/31/2023:

	<u>Checking</u>	<u>Savings</u>	<u>Total Cash</u>
Capital One Bank	\$ 389,830	\$ 179,122	\$ 568,952
Chase Bank	20,079	261,545	281,624
Gulf Coast Bank	319,326	-	319,326
	<u>\$ 729,235</u>	<u>\$ 440,667</u>	<u>\$ 1,169,902</u>

Custodial Credit Risk

Under state law, the deposits held at a fiscal agent bank (or resulting bank balances) must be secured by federal deposit insurance or the pledged securities owned by the fiscal agent bank. State law R.S. 39:1225 provides that the amount of security shall at all times be equal to 100% of the amount on deposit to the credit of each depositing authority except of the deposits insured by any governmental agency insuring bank deposits, which is organized under the laws of the United States.

At December 31, 2023, the Fire Company had \$1,385,351 in deposits (collected bank balances) in three financial institutions. These deposits are secured from risk by \$250,000 of federal deposit insurance and through the Promontory Insured Cash sweep service. At December 31, 2023, \$160,793 of the Company’s deposits with the financial institution were uninsured

**LIVE OAK MANOR VOLUNTEER FIRE COMPANY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 2 - CASH AND CASH EQUIVALENTS (CONTINUED)

Custodial Credit Risk-(continued)

Cash equivalents consist of the funds in Promontory Insured Cash Sweep accounts. Insures Cash Sweep (ICS) is a trusted, tested service utilized by financial institutions across the United States. Financial institutions that use ICS benefit from the Promontory Network advantage and the confidence of knowing that ICS is endorsed by the American Bankers Association and enjoys strategic marketing alliances with key trade associations across the United States. When a customer submits funds to a Promontory Network member (Gulf Coast Bank and Trust) for placements through ICS, that institution places the funds into deposit accounts at FDIC-insured banks that are also members of the ICS Network. This occurs in increments below the standard FDIC insurance maximum (\$250,000) so that both principal and interest are eligible for FDIC insurance. By working directly with just one institution (Gulf Coast Bank and Trust), the Fire Company is able to receive FDIC coverage from many financial institutions while only working with a single bank (Gulf Coast Bank and Trust). At December 31, 2023, the Fire Company's cash equivalent bank balances held in Promontory Insured Cash Sweep accounts were \$279,326.

NOTE 3 – CERTIFICATE OF DEPOSITS

At December 31, 2023 the balance of the Fire Company's certificate of deposit was \$206,000. The certificate bears interest of 5.5% and has a maturity of twelve months. This certificate was covered by federal depository insurance.

NOTE 4 – OTHER INVESTMENTS-CASH VALUE OF LIFE INSURANCE

The Fire Company purchased a single premium deferred annuity contract that covers the life of a key officer of which the Fire Company is the beneficiary. This contract has a cash surrender value. The cash value of \$181,529 was reported to the Fire Company by the insurance carrier as of December 31, 2023

**LIVE OAK MANOR VOLUNTEER FIRE COMPANY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 5 - PROPERTY, PLANT AND EQUIPMENT

The following is a summary of changes in the Property, Plant and Equipment during the year ended December 31, 2023:

Asset Category	Balance			Balance December 31, 2023
	January 1, 2023	Additions	Deletions	
Non Depreciable Assets				
Land	\$ 2,700	\$ -	\$ -	\$ 2,700
Non Depreciable, Total	<u>2,700</u>	<u>-</u>	<u>-</u>	<u>2,700</u>
Depreciable Assets				
Building & Improvements	818,108	-	-	818,108
Fire Fighting Equipment	106,463	6,136	-	112,599
Furniture & Fixtures	67,884	4,880	-	72,764
Accumulated Depreciation	<u>(865,283)</u>	<u>(19,238)</u>	<u>-</u>	<u>(884,521)</u>
Depreciable Assets, Net	<u>127,172</u>	<u>(8,222)</u>	<u>-</u>	<u>118,950</u>
Property, Plant and Equipment, Net	<u>\$ 129,872</u>	<u>\$ (8,222)</u>	<u>\$ -</u>	<u>\$ 121,650</u>

Depreciation expense for the year ended December 31, 2023 was \$19,238.

Property and equipment do not include fire trucks donated by the Fire Department to Jefferson Parish. Historically the Fire Department has received subsidies from Jefferson Parish for the purchase of fire trucks, which the Fire Department donated back to the Parish.

NOTE 6 – PENSION PLAN

In October 2023, the Fire Company adopted a SIMPLE IRS Retirement Plan for its employees. The plan is a defined contribution salary deduction plan. Under the plan, employees are permitted to defer a portion of their salary. The Fire Company matches the employee's salary contributions to the plan up to 3%. For 2023, employees' total contributions were \$1,820 and the employer matched contributions were \$1,820.

**LIVE OAK MANOR VOLUNTEER FIRE COMPANY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 7 – LIQUIDITY

The following reflects Live Oak Manor Volunteer Fire Company, Inc.’s financial assets as of the balance sheet date, reduced by amounts not available for general use within one year of the balance sheet date due to restriction of cash value life insurance not available within one year:

Cash and Cash Equivalents	\$	1,169,902
Other Investments-Cash Value of Life Insurance		181,529
Certificate of Deposit		<u>206,000</u>
Total Financial Assets		1,557,431
Less		
Amounts of cash value life insurance not available within one year		(181,529)
Amounts of certificate of deposit not available within one year		<u>(206,000)</u>
Financial Assets available to meet cash needs for general expenditures within one year	\$	<u><u>1,169,902</u></u>

NOTE 8 – CONCENTRATION OF SUPPORT

Substantially all of the Organization’s public support is derived from funds provided by the contract with Jefferson Parish. The Organization has a contract with Jefferson Parish under which the Organization’s revenues amounted to \$1,047,884. Management is not aware of any plans on the part of Jefferson Parish to terminate the contract.

NOTE 9 – DATE OF MANAGEMENT’S REVIEW

The Organization has evaluated subsequent events through July 2, 2024, the date which the financial statements were available to be issued.

OTHER SUPPLEMENTARY INFORMATION

**LIVE OAK MANOR VOLUNTEER FIRE COMPANY, INC.
SCHEDULE OF COMPENSATION AND OTHER PAYMENTS TO AGENCY
HEAD OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED DECEMBER 31, 2023**

Agency Head Name / Title: Mindy Punch, President

Purpose		Amount
Salary	A	\$ -
Benefits - Insurance		\$ -
Benefits - Retirement		\$ -
Benefits - Other		\$ -
Car allowance		\$ -
Vehicle provided by government		\$ -
Per diem		\$ -
Reimbursement		\$ -
Dues		\$ -
Travel		\$ -
Registration Fee		\$ -
Conference Travel		\$ -
Housing		\$ -
Unvouchered Expenses		\$ -
Special Meals		\$ -
Other		\$ -
		<hr/> \$ -

Notes to Schedule:

A - The President serves in a voluntary capacity and receives no salary.

**COMPLIANCE AND
INTERNAL CONTROL SECTION**

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Members: American Institute of Certified Public Accountants

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

To the Board of Directors
Live Oak Manor Volunteer Fire Company, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Live Oak Manor Volunteer Fire Company, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated July 2, 2024.

Report on Internal Control over Financial Reporting

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

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

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses as item 2023-1.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization'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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as item 2023-2.

We noted certain matters that we reported to management in a separate letter dated July 2, 2024.

Organization's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Live Oak Manor Volunteer Fire Company, Inc.'s response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The Organization's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Camnetar & Co.

Camnetar & Co., CPAs
a professional accounting corporation

Gretna, Louisiana
July 2, 2024

LIVE OAK MANOR VOLUNTEER FIRE COMPANY, INC.
SCHEDULE OF FINDINGS AND RESPONSES
For The Year Ended December 31, 2023

We have audited the financial statements of Live Oak Manor Volunteer Fire Company, Inc. (the Company) as of and for the year ended December 31, 2023, and have issued our report thereon dated July 2, 2024. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2023, resulted in an unqualified opinion.

Section I Summary of Auditor's Reports

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

Internal Control

Material Weaknesses Yes No Significant Deficiencies Yes No

Compliance

Compliance Material to Financial Statements Yes No

Was a management letter issued? Yes No

B. Federal Awards

The Fire Company did not expend federal awards exceeding \$750,000 during the year ended December 31, 2023, and therefore is exempt from the audit requirements under the Uniform Guidance.

Section II Financial Statement Findings

A. Internal Control

Material Weaknesses - None

Significant Deficiencies

2023-1 Preparation of Financial Statements by Auditor

Condition and Criteria - The Company does not have controls in place for proper oversight of its financial reporting and for the preparation of financial statements in accordance with generally accepted accounting principles. As is common in small organizations, the company has chosen to engage the auditor to prepare its annual financial statements. This condition is intentional by management, along with the cost effectiveness of acquiring the ability to prepare the financial statements in accordance with generally accepted accounting principles.

Cause - Statement of Auditing Standards (SAS) 115 requires that we report the above condition as a control deficiency. SAS 115 does not provide exceptions to reporting deficiencies that are mitigated with non-audit services rendered by the auditor or deficiencies for which the remedy would be cost prohibitive or otherwise impractical.

LIVE OAK MANOR VOLUNTEER FIRE COMPANY, INC.
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
For The Year Ended December 31, 2023

Section II Financial Statement Findings (Continued)

Section A – Internal Control Significant Deficiencies (Continued)

2023-1 Preparation of Financial Statements by Auditor (Continued)

Effect – The Company engages the auditor to prepare its financial statements.

Recommendation - Whether or not it would be cost effective to cure a control deficiency is not a factor in applying SAS 115's reporting requirements. Prudent management requires that the potential benefit from an internal control must exceed its cost, it may not be practical to correct all the deficiencies noted under SAS 115. We do not believe that curing the significant deficiency described in this finding would be cost effective or practical and accordingly, we do not believe any corrective action is necessary.

Management's Response - The Company's staff is familiar with the day-to-day accounting requirements and the monthly cash basis reporting requirements; however, due to limited staffing and funding, we do not consider it practical to provide sufficient training to our staff in order to eliminate this condition and can only continue to rely on the auditor to prepare the financial statements at this time.

B. Issuance of Noncompliance

2023-2 Late Filing of Financial Statements

Condition and Criteria – The Company is required by Louisiana Law to complete and file with the Legislative Auditor's Office the audit report within six months of the close of the fiscal year end. The Company did not file with the Legislative Auditor's Office the audit report within the six months of the close of the fiscal year end.

Cause – The Company did not file within the six months of the close of the fiscal year end due to the lateness of providing documentation to the auditor.

Effect – The Company did not file with the Legislative Auditor's Office the audit report within the six months of the close of the fiscal year end.

Recommendation – We recommend management submit the year-end information to the auditors by middle of April after year-end to enable the annual report to be completed and submitted to the Legislative Auditor by the due date.

Management's Response – Management feels the major contributing factor was the lateness of providing documentation to the auditor due to the change in management. The new management assumed control in February 2024 with the termination of the previous president and fire chief. Management will make sure to have all the year-end information to the auditors by the middle of April to enable the annual report to be completed and submitted to the Legislative Auditor by the due date.

LIVE OAK MANOR VOLUNTEER FIRE COMPANY, INC.
SCHEDULE OF PRIOR YEAR FINDINGS
For The Year Ended December 31, 2023

Section I –Section II - Financial Statement Findings

A. Internal control

Material Weaknesses - None

Significant Deficiencies

Finding 2022-1 Preparation of Financial Statements by Auditor – The Company does not have controls in place for proper oversight of its financial reporting and for the preparation of financial statements in accordance with generally accepted accounting principles. As is common in small organizations, the company has chosen to engage the auditor to prepare its annual financial statements. This condition is intentional by management, along with the cost effectiveness of acquiring the ability to prepare the financial statements in accordance with generally accepted accounting principles. (Unresolved – See finding 2023-1)

B. Issues of Noncompliance - None

C. Management Letter

2022-2 Unsecured cash – Recommend that the company request pledged securities or transfer the unsecured amount to several banks to be FDIC insured. (Unresolved)

**LIVE OAK MANOR VOLUNTEER FIRE COMPANY, INC.
MANAGEMENT'S CORRECTIVE ACTION PLAN
For The Year Ended December 31, 2023**

Section I – Financial Statement Findings

A. Internal Control

Material Weaknesses - None

Significant Deficiencies

2023-1 See Section II Financial Statement Findings Significant Deficiencies Preparation of Financial Statements by Auditor Management's Response P.18

B. Issues of Noncompliance

2023-2 See Section II Financial Statement Findings Issuance of Noncompliance Late Filing of Financial Statements Management's Response P.18

C. Management Letter

2023-3 Unsecured cash – At December 31, 2023, there was still some amount of cash which was uninsured and/or had no pledged securities. We recommend that the company request pledged securities or transfer the unsecured amount to several banks to be FDIC insured.

Management's Response - Management agrees. They transferred cash to other bank accounts to be FDIC insured.

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

To the Board of Live Oak Volunteer Fire Company, Inc. and the Louisiana Legislative Auditor:

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

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

The procedures and associated findings are as follows:

1) Written Policies and Procedures

- A. Obtain the entity's written policies and procedures and observe whether they address each of the following categories and subcategories (or report that the entity does not have any written policies and procedures), if applicable to public funds and the entity's operations:
 - i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - ii. ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - iii. ***Disbursements***, including processing, reviewing, and approving
 - iv. ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- v. ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- vi. ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
- vii. ***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, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- viii. ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
- ix. ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.
- x. ***Debt Service***, including (1) debt issuance approval, (2) continued disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. ***Prevention of Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Result: Procedure performed. Exceptions were noted for Budgeting, Contracting, Information Technology Disaster and Prevention of Sexual Harassment.

2) Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

- ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
- iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Result: Exception the board did not meet with a quorum as per their bylaws, no reference of budget to actual comparisons and no reference any action plans to resolve findings.

3) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
Result: Bank Reconciliations were prepared on a monthly basis by accounting firm but no initials are evident on the reconciliations.
 - ii. Bank reconciliations include evidence that a member of management or board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 one of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and
Result: Bank reconciliations were not included in monthly binders prepared by accounting firm to verify management review.
 - iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.
Result: No documentation of management review of outstanding items but there were no outstanding items more than 12 months from statement closing date.

4) Collections (excluding electronic funds transfers)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that
- i. Employees responsible for cash collections do not share cash drawers/registers;
 - ii. Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
 - iii. Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and
 - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
- i. Observe that receipts are sequentially pre-numbered.
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - iii. Trace the deposit slip total to the actual deposit per the bank statement.
 - iv. Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
 - v. Trace the actual deposit per the bank statement to the general ledger.

Result: The Fire Company does not use sequentially pre-numbered receipts for collections. The Fire Company does not use any system of recording when income is received to verify that deposit is made within one business day. The Fire Company does not have an insurance policy for theft coverage for employees who have access to cash.

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

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- B. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase;
 - ii. At least two employees are involved in processing and approving payments to vendors;
 - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
 - iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
 - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electric means.
- [Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]
- C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:
- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
 - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B, as applicable.
- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

Result: There was no evidence of review nor approval. In prior years, there was a stamp for reviewer and approval with two different initials and dates.

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

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and 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.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. (those instance requiring such approval that may constrain the legal authority of certain public officials, such as a mayor of a Lawrason Act municipality, should not be reported; and
 - ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under #7B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Result: There was no evidence of review nor approval. In prior years, there was a stamp for reviewer and approval with two different initials and dates.

7) Travel and Expense Reimbursement (excluding card transactions)

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
 - i. If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);

- ii. If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
- iii. Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1A(vii)); and
- iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No exceptions were found as a result of this procedure.

8) Contracts

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
 - i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;
 - ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
 - iii. If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and
 - iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

No exceptions were found as a result of this procedure.

9) Payroll and Personnel

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #9A above, obtain attendance records and leave documentation for the pay period, and:
 - i. Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning

- leave according to a policy and/or contract, the official should document his/her daily attendance and leave.);
- ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - iii. Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
 - iv. Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.
- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

No exceptions were found as a result of this procedure.

10) *Ethics (excluding nonprofits)*

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and
- i. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
 - ii. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S.42:1170

Not applicable to nonprofits

11) *Debt Service (excluding nonprofits)*

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of Louisiana Constitution.

- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Not applicable to nonprofits

12) *Fraud*

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
- B. Observe the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

No exceptions were found as a result of this procedure.

13) *Information Technology Disaster Recovery/Business Continuity*

- A. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**
- i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
 - ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.
- C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's

information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

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

We performed the procedures above and discussed the results with management.

14) *Prevention of Sexual Harassment*

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:
- i. Number and percentage of public servants in the agency who have completed the training requirements;
 - ii. Number of sexual harassment complaints received by the agency;
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - v. Amount of time it took to resolve each complaint.

Not applicable to nonprofits.

Management's Response

Live Oak Volunteer Fire Company concurs with the exceptions and is working to address the deficiencies identified.

We were engaged by Live Oak Volunteer Fire Company, Inc. to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an

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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 Live Oak Volunteer Fire Company, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

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Gretna, Louisiana

July 2, 2024