

**Terrebonne Parish Recreation District No. 3A
Houma, Louisiana**

Annual Financial Report
Year Ended December 31, 2023

Terrebonne Parish Recreation District No. 3A
Annual Financial Report
Year Ended December 31, 2023

Table of Contents

	<u>Page</u>
Independent Auditor's Report	1-3
Management's Discussion and Analysis	4-7
Financial Statements	
Government-wide and Fund Financial Statements	
Statement of Net Position	8
Statement of Activities	9
Balance Sheet - Governmental Fund Type - General Fund	10
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Fund Type - General Fund	11
Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position	12
Reconciliation of the Statement of Governmental Fund Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities	13
Notes to the Financial Statements	14-23
Required Supplementary Information	
Budgetary Comparison Schedule - General Fund	24
Other Information	
Schedule of Compensation, Benefits, and Other Payments to District Head	25
Report Required by <i>Government Auditing Standards</i>	
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 <i>Government Auditing Standards</i>	26-27
Schedule of Findings and Responses	28-29
Reports by Management	
Management's Corrective Action Plan for Current Year Audit Findings	30
Schedule of Prior Findings and Responses	31
Statewide Agreed-Upon Procedures	32-52

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Terrebonne Parish Recreation District No. 3A
Houma, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the governmental activities and each major fund of the Terrebonne Parish Recreation District No. 3A (the District), a component unit of the Terrebonne Parish Consolidated Government, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of December 31, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District'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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 7 and the budgetary comparison schedule on page 24 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the

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

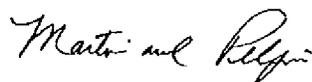
Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Terrebonne Parish Recreation District No. 3A's basic financial statements. The Schedule of Compensation, Benefits, and Other Payments to District Head on page 25 is presented for purposes of additional analysis and is not a required part of the financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 15, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Houma, Louisiana
May 15, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

Terrebonne Parish Recreation District No. 3A
Terrebonne Parish Consolidated Government
Management's Discussion and Analysis
Year Ended December 31, 2023

As management of the Terrebonne Parish Recreation District No. 3A (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the year ended December 31, 2023.

FINANCIAL HIGHLIGHTS

- Terrebonne Parish Recreation District No. 3A's assets exceeded its liabilities by \$832,318 (net position) as of December 31, 2023.
- Revenues exceeded expenditures by \$221,818 during the year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis serves as an introduction to the District's financial statements. The Terrebonne Parish Recreation District No. 3A's financial statements consist of following:

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

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

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

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

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

Terrebonne Parish Recreation District No. 3A
 Terrebonne Parish Consolidated Government
 Management's Discussion and Analysis
 Year Ended December 31, 2023

BASIC FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of an entity's financial position. The District's net position was \$832,318 at December 31, 2023. The largest portion of the District's total assets, \$599,081 or 57.2%, reflects its cash balances.

The District's Net Position

	December 31,	
	2023	2022
ASSETS		
Cash	\$ 599,081	\$ 409,875
Taxes receivable	41,021	17,135
Due from other governmental units	149,787	124,472
Deposit	70	70
Capital assets, nondepreciable	102,098	102,098
Capital assets, depreciable, net	155,068	184,100
Total assets	1,047,125	837,750
LIABILITIES		
	14,560	13,648
DEFERRED INFLOWS OF RESOURCES		
Deferred ad valorem taxes revenue	195,344	208,699
Deferred state revenue sharing	4,903	4,903
Total deferred inflows of resources	200,247	213,602
NET POSITION		
Net investment in capital assets	257,166	286,198
Unrestricted	575,152	324,302
Total net position	\$ 832,318	\$ 610,500

Terrebonne Parish Recreation District No. 3A
 Terrebonne Parish Consolidated Government
 Management's Discussion and Analysis
 Year Ended December 31, 2023

During the year, the District's net position increased by \$221,818. The elements of the increase are as follows:

The District's Change in Net Position

	For the Year Ended December 31,	
	2023	2022
REVENUES		
Ad valorem taxes	\$ 232,095	\$ 184,133
Intergovernmental:		
State of Louisiana revenue sharing	4,902	5,136
Federal Emergency Management Agency	339,905	-
Charges for goods	25,905	20,143
Interest income	6,720	571
Total revenues	609,527	209,983
EXPENDITURES		
Repairs and maintenance	216,864	304
Personal services	82,960	48,580
Other services and charges	38,201	129,736
Depreciation	29,032	29,062
Supplies and materials	14,786	9,345
Ad valorem tax deductions	5,866	10,070
Total expenditures	387,709	227,097
CHANGE IN NET POSITION	\$ 221,818	\$ (17,114)

As indicated above, net position increased by \$221,818. The increase in net position is mainly attributed to the increase in ad valorem taxes and Federal Emergency Management Agency "FEMA" revenues. The FEMA funds received are related to damages sustained as a result of Hurricane Ida.

Terrebonne Parish Recreation District No. 3A
 Terrebonne Parish Consolidated Government
 Management's Discussion and Analysis
 Year Ended December 31, 2023

CAPITAL ASSETS

As of December 31, 2023, the District had \$257,166 invested in capital assets.

	2023	2022
Fixed assets	\$ 894,589	\$ 894,589
Less accumulated depreciation	(637,423)	(608,391)
	\$ 257,166	\$ 286,198

Depreciation expense for the year is \$29,032. There were no capital asset additions or retirements during the year.

BUDGET

The District amended its budget once during the fiscal year. The budget for revenues was \$398,250, and the budget for expenditures was \$230,197.

The District's actual revenues were more than the budgeted revenues by \$211,277, a favorable variance of 53.05%. The District's actual expenditures were greater than the budgeted expenditures by \$128,480, an unfavorable variance of 55.81%.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with such an interest. Call the District's office (985-856-3781) attention Ms. Marilyn Staidum, Accountant, if you should have any further questions concerning any of the information provided in this report or have a request for additional financial information.

FINANCIAL STATEMENTS

Terrebonne Parish Recreation District No. 3A
Statement of Net Position
December 31, 2023

Assets	
Cash	\$ 599,081
Taxes receivable	41,021
Due from other governmental units	149,787
Deposit	70
Total Current Assets	789,959
Capital assets, nondepreciable	102,098
Capital assets, depreciable, net	155,068
Total Non-Current Assets	257,166
Total Assets	1,047,125
Liabilities	
Accounts payable	14,560
Deferred Inflows of Resources	
Ad valorem taxes revenue	195,344
State revenue sharing	4,903
Total Deferred Inflows of Resources	200,247
Net Position	
Net investment in capital assets	257,166
Unrestricted	575,152
Total Net Position	\$ 832,318

See accompanying notes.

Terrebonne Parish Recreation District No. 3A
Statement of Activities
Year Ended December 31, 2023

	Expenses	Program Revenues		Net (Expense) Revenue and Change in Net Position
		Charges for Services	Capital Grants & Contributions	
GOVERNMENTAL ACTIVITIES				
General government	\$ 5,866	\$ -	\$ -	\$ (5,866)
Culture and recreation	381,843	25,905	339,905	(16,033)
Total governmental activities	\$ 387,709	\$ 25,905	\$ 339,905	(21,899)
 GENERAL REVENUES				
Ad valorem taxes				232,095
Intergovernmental - state revenue sharing				4,902
Interest income				6,720
Total general revenues				243,717
 INCREASE IN NET POSITION				221,818
 NET POSITION, BEGINNING				610,500
 NET POSITION, ENDING				\$ 832,318

See accompanying notes.

Terrebonne Parish Recreation District No. 3A
Balance Sheet
Governmental Fund Type – General Fund
December 31, 2023

Assets	
Cash	\$ 599,081
Taxes receivable	41,021
Due from other governmental units	149,787
Other	70
	<u>70</u>
Total Current Assets	\$ 789,959
	<u><u>789,959</u></u>
Liabilities	
Accounts payable	\$ 14,560
	<u>14,560</u>
Deferred Inflows of Resources	
Ad valorem taxes revenue	195,344
State revenue sharing	4,903
	<u>4,903</u>
Total Deferred Inflows of Resources	200,247
	<u>200,247</u>
Fund Balance	
Nonspendable	70
Unassigned	575,082
	<u>575,082</u>
Total Fund Balance	575,152
	<u>575,152</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 789,959
	<u><u>789,959</u></u>

See accompanying notes.

Terrebonne Parish Recreation District No. 3A
Statement of Revenues, Expenditures, and
Changes in Fund Balance –
Governmental Fund Type – General Fund
Year Ended December 31, 2023

Revenues	
Ad valorem taxes	\$ 232,095
Intergovernmental:	
Federal Emergency Management Agency	339,905
State of Louisiana revenue sharing	4,902
Charges for goods	25,905
Interest income	<u>6,720</u>
 Total Revenues	 <u>609,527</u>
 Expenditures	
Current:	
General government:	
Ad valorem tax deductions	<u>5,866</u>
Culture and recreation:	
Repairs and maintenance	216,864
Personnel services	82,960
Other services and charges	38,201
Supplies and materials	<u>14,786</u>
 Total culture and recreation	 <u>352,811</u>
 Total Expenditures	 <u>358,677</u>
 Change in Fund Balance	 250,850
 Fund Balance, Beginning	 <u>324,302</u>
 Fund Balance, Ending	 <u><u>\$ 575,152</u></u>

See accompanying notes.

Terrebonne Parish Recreation District No. 3A
Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
December 31, 2023

Fund balance - governmental fund \$ 575,152

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets of \$894,589 net of accumulated depreciation of \$637,423, are not financial resources and, therefore, are not reported in the governmental fund.

257,166

Net position of governmental activities

\$ 832,318

See accompanying notes.

Terrebonne Parish Recreation District No. 3A
Reconciliation of the Statement of Governmental Fund Revenues,
Expenditures and Changes in Fund Balance to the
Statement of Activities
Year Ended December 31, 2023

Change in fund balance - governmental fund \$ 250,850

Amounts reported for governmental activities in the
Statement of Net Position are different because:

Governmental funds report capital outlay items as
expenditures whereas in the statement of activities
these costs are depreciated over their useful lives.

Depreciation expense (29,032)

Change in net position \$ 221,818

See accompanying notes.

Terrebonne Parish Recreation District No. 3A
Notes to the Financial Statements
Year Ended December 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Terrebonne Parish Recreation District No. 3A is a governmental entity that owns, operates, and maintains public recreational facilities in East Houma, Louisiana. Its service area includes the Village East and Lafayette Woods neighborhoods.

Because the Terrebonne Parish Consolidated Government appoints the governing board and thusly can impose its will, the Terrebonne Parish Recreation District No. 3A was determined to be a component unit of the Terrebonne Parish Consolidated Government, the governing body of the parish and the governmental body with financial accountability. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the Consolidated Government, the general government services provided by that governmental unit, or the other governmental units that comprise the governmental reporting entity.

The accounting policies of the District conform to accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of significant accounting policies:

A. REPORTING ENTITY

The District is a component unit of Terrebonne Parish Consolidated Government (the Parish) and as such, these financial statements will be included in the comprehensive annual financial report (CAFR) of the Parish for the year ended December 31, 2023. The District has reviewed all of its activities and determined that there are no potential component units that should be included in its financial statements.

B. BASIS OF PRESENTATION

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

Net investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation and reduced by the balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Terrebonne Parish Recreation District No. 3A
Notes to the Financial Statements
Year Ended December 31, 2023

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

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

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

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the District considers restricted funds to have been spent first.

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

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

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

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

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

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

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

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund

Terrebonne Parish Recreation District No. 3A
Notes to the Financial Statements
Year Ended December 31, 2023

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

balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Commissioners have provided otherwise in its commitment or assignment actions.

The District's basic financial statements consist of the government-wide statements on all activities of the District and the governmental fund financial statements.

Government-wide Financial Statements:

The government-wide financial statements include the Statement of Net Position and the Statement of Activities for all activities of the District. The government-wide presentation focuses primarily on the sustainability of the District as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange revenues.

Fund Financial Statements:

The daily accounts and operations of the District are organized on the basis of a fund and accounts groups, each of which is considered a separate accounting entity. The operations of the fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures. Government resources are allocated to and accounted for in the fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The following is the Governmental Fund of the District:

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

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Government-wide Financial Statements:

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. Property taxes are recognized in the year for which they are levied.

Terrebonne Parish Recreation District No. 3A
Notes to the Financial Statements
Year Ended December 31, 2023

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

Fund Financial Statements:

All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets. Governmental funds are maintained on the modified accrual basis of accounting.

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Ad valorem taxes and the related state revenue sharing (intergovernmental revenue) are recognized as revenue in the period for which levied, thus the 2023 property taxes which are being levied to finance the 2024 budget will be recognized as revenue in 2024. The 2023 tax levy is recorded as deferred inflows of resources in the District's 2023 financial statements.

Charges for services are recorded when earned since they are measurable and available. Miscellaneous revenues are recorded as revenues when received in cash by the District because they are generally not measurable until actually received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Allocations of cost such as depreciation are not recognized in the governmental funds.

D. CASH AND CASH EQUIVALENTS

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

E. ACCOUNTS RECEIVABLE

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

Terrebonne Parish Recreation District No. 3A
Notes to the Financial Statements
Year Ended December 31, 2023

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

F. CAPITAL ASSETS

The accounting treatment over property, plant and equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements.

Government-wide Financial Statements:

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets purchased or acquired with an original cost of \$1,000 or more are valued at historical cost, or estimated historical cost if actual cost is unavailable. Donated assets are valued at acquisition value on the date donated. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position.

Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of assets is as follows:

Buildings	5 - 20 years
Improvements other than buildings	5 - 20 years
Machinery and equipment	5 - 20 years
Automobiles	5 years

Fund Financial Statements:

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

G. OPERATING BUDGETARY DATA

As required by the Louisiana Revised Statutes 39:1303, the Board of Directors (the Board) adopted a budget for the District's General Fund. The Board, as allowed by state law, does not obtain public participation in the budget process. Any amendment involving the transfer of monies from one function to another or increases in expenditures must be approved by the Board. The District amended its budget once during the year. All budgeted amounts which are not expended, or obligated through contracts, lapse at year-end.

The General Fund budget is adopted on a basis materially consistent with accounting principles generally accepted in the United States of America. The General Fund budget presentation is included in the required supplementary information to the basic financial statements.

Terrebonne Parish Recreation District No. 3A
Notes to the Financial Statements
Year Ended December 31, 2023

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

H. VACATION AND SICK LEAVE

The District has one full-time employee. There is no material accumulated unpaid vacation and sick leave as of December 31, 2023. Salaries and related employee benefits are paid by the Parish and subsequently reimbursed by the District. All salaries and related employee benefits transactions are reflected as personnel services.

I. 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. The District's primary estimates are the useful lives of its capital assets.

NOTE 2 – DEPOSITS

Under state law, the District deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of another state in the Union, or the laws of the United States. State law requires that deposits (cash and certificates of deposits) of all political subdivisions be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana, and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision. The year-end balance of deposits is as follows:

	Bank Balance	Reported Amount
Cash and cash equivalents	\$ 603,363	\$ 599,081

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District has a policy for custodial credit risk. As of December 31, 2023, \$158,915 of the District's deposits were exposed to credit risk. These deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the District's name.

At December 31, 2023, cash and certificates of deposit in excess of the FDIC insurance were collateralized by securities held by unaffiliated banks for the account of the depositors. The Governmental Accounting Standards Board (GASB), which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities subject to custodial credit risk. Even though the deposits are considered subject to custodial

Terrebonne Parish Recreation District No. 3A
Notes to the Financial Statements
Year Ended December 31, 2023

NOTE 2 – DEPOSITS (Cont.)

credit risk under the provisions of GASB Statement No. 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 3 – PROPERTY TAXES

Property taxes are levied each November 1 on the assessed value listed as of the prior January 1 for all real property, merchandise and movable property located in the parish. Assessed values are established by the Terrebonne Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana law. A reevaluation of all property is required to be completed no less than every four years. A reevaluation was completed for the list as of January 1, 2020. Taxes are due and payable December 31 with interest being charged on payments after January 1. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which the taxes have not been paid are sold for the amount of the taxes. The tax rate for the year ended December 31, 2023 was \$7.00 per \$1,000 of assessed valuation on property within Recreation District No. 3A for the purpose of constructing, maintaining, and operating recreational facilities within the District. As indicated in Note 1C, taxes levied November 1, 2023 are for budgeted expenditures in 2024 and will be recognized as revenues in 2024.

NOTE 4 – COMPENSATION OF BOARD MEMBERS

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

NOTE 5 – DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units as of December 31, 2023 consisted of the following:

Terrebonne Parish Tax Collector - December 2023/ Collections remitted to the District in January 2024	\$ 148,268
Ad valorem taxes	1,519
State of Louisiana - State revenue sharing	<u>149,787</u>
	<u>\$ 149,787</u>

Terrebonne Parish Recreation District No. 3A
Notes to the Financial Statements
Year Ended December 31, 2023

NOTE 6 – CHANGES IN CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2023 was as follows:

	Balance December 31, 2022	Additions	Deletions	Balance December 31, 2023
Capital assets, not being depreciated:				
Land	\$ 102,098	\$ -	\$ -	\$ 102,098
Capital assets, being depreciated:				
Buildings	122,277	-	-	122,277
Improvements other than buildings	408,689	-	-	408,689
Machinery and equipment	248,652	-	-	248,652
Automobiles	12,873	-	-	12,873
Total assets being depreciated	792,491	-	-	792,491
Less: Accumulated depreciation				
Buildings	(111,172)	(1,763)	-	(112,935)
Improvements other than buildings	(290,626)	(16,490)	-	(307,116)
Machinery and equipment	(193,720)	(10,779)	-	(204,499)
Automobiles	(12,873)	-	-	(12,873)
Total accumulated depreciation	(608,391)	(29,032)	-	(637,423)
Total capital assets, being depreciated, net	184,100	(29,032)	-	155,068
Total capital assets, net	\$ 286,198	\$ (29,032)	\$ -	\$ 257,166

Depreciation expense of \$29,032 was recorded as a culture and recreation expense for the year ended December 31, 2023.

NOTE 7 – RISK MANAGEMENT

The District is exposed to various risks of loss related to workers' compensation; torts; theft of, damage to and destruction of assets; errors and omission; and natural disasters for which the District carries commercial insurance and also participates in the Parish's risk management program for general liability, workers' compensation, group insurance and auto liability. No settlements were made during the year that exceeded the District's insurance coverage. The District pays monthly premiums to the Parish for workers' compensation based on a fixed percentage of payroll. The District's premiums for general liability are based on various factors such as its operations and maintenance budget, exposure and claims experience. The premium for group insurance is based on a fixed rate per employee. The premium for auto liability is based on claims experience, vehicle type and mileage. The Parish handles all claims filed against the District related to workers' compensation and general liability. The District could have additional exposure for claims in excess of the Parish's insurance contracts as described below:

Terrebonne Parish Recreation District No. 3A
Notes to the Financial Statements
Year Ended December 31, 2023

NOTE 7 – RISK MANAGEMENT (Cont.)

<u>Policy</u>	<u>Coverage Limits</u>
General liability	\$ 10,000,000
Workers' compensation	\$ 25,000,000
Employer's liability	\$ 6,000,000
Auto liability	\$ 10,000,000

Coverage for general liability, workers' compensation and auto claims in excess of the stated limits above are to be funded first by assets of the Parish's risk management internal service fund, then secondly by the District. The Parish is self-insured for the first \$175,000 of each claim relating to group health. Insurance contracts cover excess liability. As of December 31, 2023, the District had no claims in excess of the above coverage limits. Expenditures for premiums to the parish for insurance coverage during the year ended December 31, 2023 totaled \$11,084.

NOTE 8 – HURRICANE IDA

On August 29, 2021 Hurricane Ida made landfall near Port Fourchon, Louisiana as a Category 4 storm, with winds travelling in excess of 150 miles per hour. The natural disaster caused significant wind-related and water-related damage to homes and businesses throughout Terrebonne Parish, to which property owned and operated by the District was no exception.

During the year ended December 31, 2023, the District received \$339,905 from the Federal Emergency Management Agency to reimburse the District for expenditures incurred related to Hurricane Ida.

NOTE 9 – RECENT ACCOUNTING PRONOUNCEMENTS

The following is a summary of accounting standards adopted by the Governmental Accounting Standards Board (GASB) that are scheduled to be implemented in the future that may affect the District's financial report:

GASB Statement 100, *Accounting Changes and Error Corrections - An Amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The standard is effective for annual reporting periods beginning after June 15, 2023. The effect of implementation on the District's financial statements has not yet been determined.

Terrebonne Parish Recreation District No. 3A
Notes to the Financial Statements
Year Ended December 31, 2023

NOTE 9 – RECENT ACCOUNTING PRONOUNCEMENTS (Cont.)

GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This standard is effective for annual reporting periods beginning after December 15, 2023. The effect of implementation on the District's financial statements has not yet been determined.

NOTE 10 – SUBSEQUENT EVENTS

Management evaluated subsequent events through May 15, 2024, which is the date the financial statements were available to be issued, and determined that no events occurred which requires disclosure. No events after this date have been evaluated for inclusion in these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Terrebonne Parish Recreation District No. 3A
Budgetary Comparison Schedule – General Fund
Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 172,000	\$ 172,000	\$ 232,095	\$ 60,095
Intergovernmental:				
Federal Emergency Management Agency	200,000	200,000	339,905	139,905
State of Louisiana revenue sharing	5,100	5,100	4,902	(198)
Charges for goods	20,150	20,150	25,905	5,755
Interest income	1,000	1,000	6,720	5,720
Total Revenues	<u>398,250</u>	<u>398,250</u>	<u>609,527</u>	<u>211,277</u>
Expenditures				
Current:				
General government:				
Ad valorem tax deductions	<u>10,000</u>	<u>10,000</u>	<u>5,866</u>	<u>4,134</u>
Culture and recreation:				
Repairs and maintenance	68,000	68,000	216,864	(148,864)
Personnel services	74,518	74,518	82,960	(8,442)
Other services and charges	52,845	55,043	38,201	16,842
Supplies and materials	<u>22,636</u>	<u>22,636</u>	<u>14,786</u>	<u>7,850</u>
Total culture and recreation	<u>217,999</u>	<u>220,197</u>	<u>352,811</u>	<u>(132,614)</u>
Total Expenditures	<u>227,999</u>	<u>230,197</u>	<u>358,677</u>	<u>(128,480)</u>
Revenues Over Expenditures	170,251	168,053	250,850	82,797
Fund Balance				
Beginning of the year	<u>324,302</u>	<u>324,302</u>	<u>324,302</u>	<u>-</u>
End of year	<u>\$ 494,553</u>	<u>\$ 492,355</u>	<u>\$ 575,152</u>	<u>82,797</u>

See Independent Auditor's Report.

OTHER INFORMATION

Terrebonne Parish Recreation District No. 3A
 Schedule of Compensation, Benefits and Other Payments
 To District Head
 Year Ended December 31, 2023

Chairperson: Mr. Randy LeBouef, Jr.

Purpose	Amount
Salary	\$-0-
Benefits-insurance	-0-
Benefits-retirement	-0-
Benefits-other	-0-
Car allowance	-0-
Vehicle provided by government	-0-
Per diem	-0-
Reimbursements	-0-
Travel	-0-
Registration fees	-0-
Conference travel	-0-
Continuing professional education fees	-0-
Housing	-0-
Unvouchered expenses	-0-
Special meals	-0-

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

See Independent Auditor's Report.

REPORT REQUIRED BY GOVERNMENT AUDITING STANDARDS

**Martin
and
Pellegrin**

103 Ramey Road
Houma, Louisiana 70360

*Certified public Accountants
(A Professional Corporation)*

Ph. (985) 851-3638
Fax (985) 851-3951

**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
Terrebonne Parish Recreation District No. 3A
Houma, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the government activities and each major fund of Terrebonne Parish Recreation District No. 3A (the District), a component unit of the Terrebonne Parish Consolidated Government, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated May 15, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control

that might 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. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2023-001, that we consider to be a significant deficiency.

Report on Compliance and Other Matters

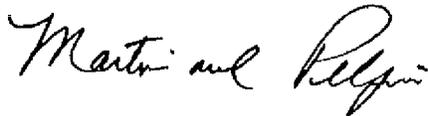
As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards*, which is described in the accompanying schedule of findings and responses as item 2023-002.

The District's Responses to Findings

The District's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The District's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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



Houma, Louisiana
May 15, 2024

Terrebonne Parish Recreation District No. 3A
Schedule of Findings and Responses
Year Ended December 31, 2023

Section I – Summary of Auditor’s Results

1. The auditor’s report expresses an unmodified opinion on the financial statements of Terrebonne Parish Recreation District No. 3A.
2. One significant internal control deficiency (see finding 2023-001) was noted during the audit of the financial statements. This significant internal control deficiency was not considered a material weakness.
3. One instance of noncompliance (see finding 2023-002) or other matters required to be reported in accordance with *Government Auditing Standards* was noted during the audit.
4. A management letter was not issued.
5. The District did not receive or expend federal funds during the year.

Section II – Financial Statement Findings

2023-001 – Inadequate Internal Control

Statement of Condition: A significant deficiency in the District’s internal control.

Criteria: In our consideration of internal control, we noted that the size of Terrebonne Parish Recreations District No. 3A’s operations and its limited accounting staff preclude an inadequate segregation of duties and other features of an adequate system of internal control.

Effects of Condition: The internal control, in our judgment, could adversely affect the entity’s ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

Cause of Condition: The size of the Terrebonne Parish District No. 3A and its limited accounting staff preclude an inadequate segregation of duties and other features of an adequate system on internal control.

Recommendation: The Board of Directors of the Terrebonne Parish Recreation District No. 3A should closely monitor the day-to-day activities of the District.

Response: The management of the Terrebonne Parish Recreation District No. 3A concurs with this finding.

Questioned Costs: \$ -0-

Terrebonne Parish Recreation District No. 3A
Schedule of Findings and Responses
Year Ended December 31, 2023

2023-002 – Budget Amendment

Statement of Condition: The District failed to amend its budget when actual expenditures exceeded budgeted amounts by greater than 5% at year end.

Criteria: Louisiana Revised Statutes 39:1310 1311 requires governmental entities to adopt a budget amendment if there is a 5% unfavorable variance in revenues or expenditures.

Effects of Condition: The District is not in compliance with state budget law.

Cause of Condition: Management failed to budget for Hurricane Ida related repairs and capital outlays.

Recommendation: We recommend that the District adopt procedures that will require it to budget for all anticipated revenues and expenditures, to monitor budget to actual revenue and expenditures at frequent intervals, and to amend the budget when a 5% or greater unfavorable variance in revenues or expenditures is identified.

Response: The District will implement the recommendation as detailed above.

Questioned Costs: \$ -0-

Section III – Federal Awards

The District received \$339,305 in federal awards for the year ended December 31, 2023.

Terrebonne Parish Recreation District No. 3A
Management's Corrective Action Plan for Current Year Findings
Year Ended December 31, 2023

The contact person for all corrective actions noted below is Ms. Marilyn Staidum, Accountant.

Section I – Internal Control and Compliance

2023-001 - Inadequate Internal Control

Condition: A significant deficiency in the internal control related to lack of segregation of duties.

Recommendation: The Board of Directors of the District should closely monitor the day-to-day activities of the District.

Planned Action: The Board of Directors will closely monitor the day-to-day activities of the District.

2023-002 - Budget Amendment

Condition: The District failed to amend its budget when actual expenditures exceeded budgeted amounts by greater than 5% at year end.

Recommendation: We recommend that the District adopt procedures that will require it to budget for all anticipated revenues and expenditures, to monitor budget to actual revenues and expenditures at frequent intervals, and to amend the budget when a 5% or greater unfavorable variance in revenues or expenditures is identified.

Planned Action: The District will implement the recommendation as detailed above.

Section II – Internal Control and Compliance Material To Federal Awards

This section is not applicable.

Section III – Management Letter

This section is not applicable.

Terrebonne Parish Recreation District No. 3A
Schedule of Prior Findings and Responses
Year Ended December 31, 2023

Note: All prior findings relate to the December 31, 2022 audit engagement.

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

2022-001 - Inadequate Internal Control

Condition: A significant control deficiency in the internal control related to lack of segregation of duties.

Recommendation: The Board of Directors of the District should closely monitor the day-to-day activities of the District.

Planned Action: The Board of Directors will closely monitor the day-to-day activities of the District.

Status: Ongoing. The District has implemented the recommendation, but the lack of segregation of duties continues to exist. As such, the District will continue to perform the recommendation.

2022-002 - Budget Amendment

Condition: The District failed to amend its budget when actual expenditures exceeded budgeted amounts by greater than 5% at year end.

Recommendation: We recommend that the District adopt procedures that will require it to monitor budget to actual revenues and expenditures at frequent intervals and to amend the budget when a 5% or greater unfavorable variance in revenues or expenditures is identified.

Planned Action: The District will implement the recommendation as detailed above.

Status: Ongoing.

Section II – Internal Control and Compliance Material to Federal Awards

This section is not applicable.

Section III – Management Letter

This section is not applicable.

STATEWIDE AGREED-UPON PROCEDURES

**Martin
and
Pellegrin**

103 Ramey Road
Houma, Louisiana 70360

*Certified public Accountants
(A Professional Corporation)*

Ph. (985) 851-3638
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**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Directors
Terrebonne Parish Recreation District No. 3A
Houma, Louisiana

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2023 through December 31, 2023. The Terrebonne Parish Recreation District No. 3A (the District) and its management are responsible for those C/C areas identified in the SAUPs.

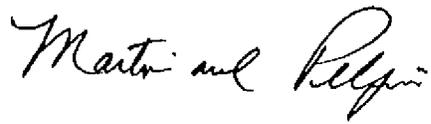
The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2023 through December 31, 2023. Additionally, 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 described on pages 34-52.

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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

A handwritten signature in cursive script that reads "Martin and Pelquin".

Houma, Louisiana
May 15, 2024

**Terrebonne Parish Recreation District No. 3A
Houma, Louisiana**

Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
Year Ended December 31, 2023

The required procedures and our findings are as follows:

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

Written Policies and Procedures

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

- a. Budgeting, including preparing, adopting, monitoring, and amending the budget

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

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Obtained and read the written policy for purchasing and found it to contain all requirements above, except for the requirement noted below.

Exceptions: The policy does not include how vendors are added to the vendor list.

Management's response: Management will consider adding how vendors are added to the vendor list to the purchasing policy.

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

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

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Obtained and read the written policy for receipts and found it to contain the requirements listed above, except for the requirement noted below.

Exceptions: The policy does not include management's actions to determine the completeness of all collections for each type of revenue.

Management's response: Management will consider adding the completion

Terrebonne Parish Recreation District No. 3A
Houma, Louisiana

Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
Year Ended December 31, 2023

process to the receipts/collections policy.

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

Performance: Obtained and read the written policy for payroll and personnel.

Exceptions: The policy does not include the approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

Management's response: Management will consider adding the approval and maintenance process for rates of pay to the payroll/personnel policy.

- f. Contracting, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process

Performance: Obtained and read the written policy related to contracting and found it contained the requirements listed above except for the requirement noted below.

Exceptions: The policy does not include the approval process.

Management's response: Management will consider adding the approval process to the contracting policy.

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

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

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- h. Credit Cards (and debit cards, fuel cards, P-Cards, if applicable), including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage

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

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- i. Ethics, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is

**Terrebonne Parish Recreation District No. 3A
Houma, Louisiana**

Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
Year Ended December 31, 2023

maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

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

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Obtained and read the debt service policy and found it contained all the requirements listed above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Determined whether the District has a written disaster recovery/business continuity policy.

Exceptions: The District does not have a written policy that addresses disaster recovery / business continuity.

Management's response: Management will consider adding this policy to its list of written policies.

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

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

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

Terrebonne Parish Recreation District No. 3A

Houma, Louisiana

Schedule of Procedures and Associated Findings of the

Statewide Agreed-Upon Procedures

Year Ended December 31, 2023

Board or Finance Committee

2. 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:

- a) 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.

Performance: Obtained the minutes of the meetings, taking note of the frequency of meetings.

Exceptions: The District only met 11 out of 12 months during the 2023 fiscal year.

Management's response: This was an isolated incident due to lack of quorum.

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

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

Exceptions: Minutes did not reference or include budget-to-actual comparisons for the general fund.

Management's response: Management will consider including/referencing monthly budget-to-actual comparisons in their minutes.

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

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

- d) 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.

Performance: Observed whether written updates were received by the board on the progress of resolving audit findings, according to management's corrective action plan until the findings are considered fully resolved.

Exceptions: There were no written updates received by the board on the progress of resolving audit findings, according to management's corrective

**Terrebonne Parish Recreation District No. 3A
Houma, Louisiana**

Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
Year Ended December 31, 2023

action plan.

Management's response: Written updates will be provided to the board on the progress of resolving audit findings.

Bank Reconciliations

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

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

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

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

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within one month of the date the reconciliation was prepared;

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

Exceptions: Documentation of management approval of bank reconciliations was not provided.

Management's response: Management will begin approving bank reconciliations within one month of the date of reconciliation.

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

Performance: Determined that there were no items outstanding for more than 12 months on the bank reconciliations selected for testing.

**Terrebonne Parish Recreation District No. 3A
Houma, Louisiana**

Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
Year Ended December 31, 2023

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

Collections

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

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

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

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

Performance: Observed that employees responsible for cash collections do share cash drawers/registers.

Exceptions: Cash drawers/registers are shared.

Management's response: The District will consider requiring separate cash drawers for each employee.

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

Performance: Observed that employees responsible for cash collections are not responsible for making deposits unless another employee/official is responsible for reconciling collection documentation to the deposit.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Terrebonne Parish Recreation District No. 3A
Houma, Louisiana

Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
Year Ended December 31, 2023

Performance: Observed that employees responsible for cash collections are 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.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Observed that employees responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is not responsible for collecting cash, unless another employee/official verifies the reconciliation.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Inspected policy manuals and inquired of client to determine if employees with access to cash are covered by a bond or insurance policy.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

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

Performance: Determined that receipts are not considered necessary due to the nature of the collections.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Inspected deposits from two random deposit dates to determine if they had collection documentation that agreed to the respective deposit slips.

**Terrebonne Parish Recreation District No. 3A
Houma, Louisiana**

Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
Year Ended December 31, 2023

Noted that pre-numbered receipts were not applicable to the randomly selected documents; however, collections were supported by adequate documentation.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

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

Performance: Inspected deposits from two random deposit dates to determine if the deposit slips agreed to the actual deposits per the bank statements.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

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

Performance: Determined if deposits from two random dates were deposited within one business day of receipt.
Exceptions: Observed that deposits selected for testing were not deposited within one business day of receipt.
Management's response: The District will consider requiring deposits to be made within one day of collection.

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

Performance: Inspected deposits from two random deposit dates to determine if the deposits per the bank statements agree to the general ledger.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

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

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

Performance: Obtained a listing of locations that processed payments for the fiscal period from management and received management's representation in a separate letter. Determined that only one location processed payments.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

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

Terrebonne Parish Recreation District No. 3A
Houma, Louisiana

Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
Year Ended December 31, 2023

and procedures relating to employee job duties, and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

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

Exceptions: Only one employee is involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

Management's response: The District will consider requiring two employees to be 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.

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

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

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

Exceptions: The employee responsible processing payments is not prohibited from adding/modifying vendor files, and another employee is not responsible for periodically reviewing changes to vendor files.

Management's response: The District will consider requiring a member of management to periodically review changes to vendor files.

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

Performance: Inquired of management to determine if the employee/official responsible for signing checks mails the payment or gives the signed checks

Terrebonne Parish Recreation District No. 3A
Houma, Louisiana

Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
Year Ended December 31, 2023

to an employee to mail who is not responsible for processing payments.

Exceptions: The employee responsible for processing payments mails the payments.

Management's response: The District will consider requiring someone other than the employee responsible for processing payments to mail the payments.

- e) 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 electronic means.

Performance: Determined that the District does not use electronic disbursements; therefore, this procedure is not applicable.

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

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

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

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

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

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

Exceptions: There were no exceptions noted.

**Terrebonne Parish Recreation District No. 3A
Houma, Louisiana**

Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
Year Ended December 31, 2023

Management's response: Not applicable.

11. Using the entity's main operating accounts and the month selected in Bank Reconciliations procedure #3, 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.

Performance: No non-payroll-related electronic disbursements were identified; therefore, this procedure is not applicable.

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

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

Performance: Obtained a listing of cards for the fiscal period from management and management's representations in a separate letter.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder.

Performance: Observed evidence that monthly statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- b) Observe that finance charges and late fees were not assessed on the selected statements.

Performance: Viewed selected statements to determine if any finance charges or late fees were applied to balances.

Exceptions: There were no exceptions noted.

**Terrebonne Parish Recreation District No. 3A
Houma, Louisiana**

Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
Year Ended December 31, 2023

Management's response: Not applicable.

14. Using the monthly statements or combined statements selected under #12 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. For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals.

Performance: Randomly selected ten transactions from the statement tested and observed that they were supported by the documentation required above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

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

- a) If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1g).
- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Performance: Determined that procedure #15 could be excluded as the District did not have any reimbursed travel expenses during the fiscal year.

**Terrebonne Parish Recreation District No. 3A
Houma, Louisiana**

Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
Year Ended December 31, 2023

Contracts

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

Performance: Observed the listing of contracts in effect during the fiscal year from management and received management's representation of completeness in a separate letter.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Determined that, due to contract amounts or nature of service, the District was not subject to the Public Bid Law for any of the selected contracts in place.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Determined that the selected contracts were properly approved.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- c) If the contract was amended, observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms.

Performance: Determined that all selected contracts were original contracts and were in compliance with the original contract terms.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- d) Randomly select one payment from the fiscal period for each of the five contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

**Terrebonne Parish Recreation District No. 3A
Houma, Louisiana**

Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
Year Ended December 31, 2023

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

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

Payroll and Personnel

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

Performance: Observed the listing of employees and received management's representation of completeness in a separate letter.

Exceptions: There were no exceptions noted. As the District's board serves without compensation, those officials were not tested.

Management's response: Not applicable.

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

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

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

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

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

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Observed that any leave accrued or taken during the pay period

**Terrebonne Parish Recreation District No. 3A
Houma, Louisiana**

Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
Year Ended December 31, 2023

is reflected in the entity's cumulative leave records.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

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

Performance: Observed that the rate paid to the employees agreed to the authorized salary/pay rate.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

19. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

Performance: Obtained a listing of employees terminated during the fiscal year from management, and received management's representation of completeness in a separate letter. Agreed the hours to the cumulative leave records, agreed the pay rates to the authorized pay rates, and agreed termination payments to the termination policy.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

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

Performance: Determined that the District paid and filed payroll-related obligations in a timely manner.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

Ethics

21. Using the employees/officials from procedure #17 under "Payroll and Personnel" above, obtain ethics documentation from management, and:

- a) Observe that the documentation demonstrates each employee/official completed

Terrebonne Parish Recreation District No. 3A

Houma, Louisiana

Schedule of Procedures and Associated Findings of the

Statewide Agreed-Upon Procedures

Year Ended December 31, 2023

one hour of ethics training during the fiscal period.

Performance: Requested documentation to perform the procedures above.

Exceptions: Three out of five employees/officials tested did not complete the annual required ethics courses during the fiscal year.

Management's response: This was an oversight and will be corrected in 2024.

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

Performance: Determined that there were no changes to the ethics policy during the fiscal period.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

22. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Performance: Inquired as to whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Exceptions: No ethics designee has been appointed.

Management's response: The District will appoint an ethics designee.

Debt Service

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

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

Performance: As the District does not have any debt, determined that procedures 23 and 24 could be excluded.

Fraud Notice

25. Obtain a listing of misappropriations of public funds and assets during the fiscal period

Terrebonne Parish Recreation District No. 3A

Houma, Louisiana

Schedule of Procedures and Associated Findings of the

Statewide Agreed-Upon Procedures

Year Ended December 31, 2023

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.

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

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Observed the required notice on the premises. As the District does not have its own website, such notice was found posted on Terrebonne Parish Consolidated Government's website, of which the District is a component unit.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

Information Technology Disaster Recovery/Business Continuity

27. Perform the following procedures:

- 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 (1) occurred within the past week, (2) was not stored on the government's local server or network, and (3) was encrypted.
- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past three months.
- c) Obtain a listing of the entity's computers currently in use, and their related locations, and management's representation that the listing is complete. Randomly select five computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting software in use are currently supported by the vendor.

Terrebonne Parish Recreation District No. 3A

Houma, Louisiana

Schedule of Procedures and Associated Findings of the

Statewide Agreed-Upon Procedures

Year Ended December 31, 2023

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

28. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #19. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Performance: Determined that the District's one terminated employee did not have access to the network; therefore, this procedure was not applicable.

29. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #17, 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:

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

Performance: Determined that the District's employee who has access to the District's information technology assets has completed the required cybersecurity training.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

Sexual Harassment

30. Using the five randomly selected employees/officials from procedure #17 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

Performance: Obtained documentation evidencing completion of required sexual harassment training.

Exceptions: Four out of five employees/officials tested did not complete the annual required ethics courses during the fiscal year.

Management's response: This was an oversight and will be corrected in 2024.

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

Terrebonne Parish Recreation District No. 3A

Houma, Louisiana

Schedule of Procedures and Associated Findings of the

Statewide Agreed-Upon Procedures

Year Ended December 31, 2023

Performance: Determined that the District does not have a website; therefore, this procedure is not applicable.

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

- 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.

Performance: Requested the District's annual sexual harassment report.

Exceptions: The District did not prepare a sexual harassment report for the fiscal year.

Management's response: This was an oversight and will be corrected in 2024.