

ST. TAMMANY PARISH ECONOMIC
DEVELOPMENT FOUNDATION



ADVISORY SERVICES
PROCEDURAL REPORT
ISSUED JULY 12, 2017

**LOUISIANA LEGISLATIVE AUDITOR
1600 NORTH THIRD STREET
POST OFFICE BOX 94397
BATON ROUGE, LOUISIANA 70804-9397**

LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

FIRST ASSISTANT LEGISLATIVE AUDITOR/
LOCAL GOVERNMENT AUDIT SERVICES
THOMAS H. COLE, CPA

DIRECTOR OF LOCAL GOVERNMENT SERVICES
BRADLEY D. CRYER, CPA

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Louisiana Legislative Auditor

Daryl G. Purpera, CPA, CFE



St. Tammany Parish Economic Development Foundation

July 2017

Audit Control # 70160066

Introduction

The Louisiana Legislative Auditor (LLA) performed certain procedures at the St. Tammany Parish Economic Development Foundation (Foundation) to address the requirements of Act 774 of the 2014 Regular Legislative Session, as amended. The primary purpose of our procedures at the Foundation was to assist the Foundation in evaluating certain controls that the Foundation uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and overall accountability over public funds. Our procedures were more limited than an audit; therefore, we are not issuing an opinion on the Foundation's financial statements nor the effectiveness of the Foundation's internal control over financial reporting and compliance.

The Foundation is a nonprofit corporation created with a mission to promote a growing and vibrant economy in St. Tammany Parish. The Foundation receives approximately 75% of its annual revenues from the St. Tammany Development District (District) based on the terms of a management contract.

The District and Foundation have a close relationship, including (1) sharing the same building, (2) utilizing the Foundation's Chief Executive Officer as the District's unpaid Executive Director, and (3) utilizing the Foundation's Operations Director as the District's unpaid Records Custodian. In addition, the Foundation's Chief Executive Officer serves as a member of the District's Board of Commissioners. Due to the nature of this relationship, compliance requirements applicable to the District may be applicable to the Foundation.

Results of Our Procedures

Follow-up on Prior-year Exceptions

We assessed the status/resolution of all exceptions reported in the Agreed-Upon Procedures Report dated December 28, 2015. The prior-year exception relating to the lack of written policies and procedures over cell phone expense reimbursement has been fully resolved.

Current-year Exceptions

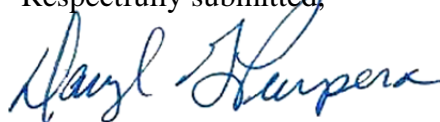
We requested the Foundation's written policies and procedures and noted that the Foundation did not have written policies and procedures to address all financial or operational areas. In addition, for those policies and procedures that were provided for our review, we noted incomplete documentation in the following areas:

- Budgeting - preparing, monitoring, and amending the budget
- Purchasing - purchase process initiation, vendor listing maintenance, bid law compliance, and bid/price quote documentation
- Disbursing - processing, reviewing, or approving disbursements for non-budgeted expenses
- Travel and expense reimbursement - allowable expenses, reimbursement dollar thresholds, and reimbursement documentation requirements

Recommendations: We advise the Foundation to strengthen controls over its financial and operational areas by implementing and/or updating written policies and procedures. Sample best practice documents are available for reference on the Louisiana Legislative Auditor's website.

Under Louisiana Revised Statute 24:513, this report is a public document, and it has been distributed to appropriate public officials.

Respectfully submitted,



Daryl G. Purpera, CPA, CFE
Legislative Auditor

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STP EDF 2017

APPENDIX A

Management's Response

MANAGEMENT'S RESPONSE

The St. Tammany Economic Development Foundation has reviewed the recommendations of the Louisiana Legislative Auditor regarding its policies and documented procedures and will seek to implement the best practices suggested.



Brenda Bertus
CEO