

RESOLUTION NO. JR-027-2024

A JOINT RESOLUTION OF THE LAFAYETTE CITY COUNCIL AND THE LAFAYETTE PARISH COUNCIL NAMING AND DESIGNATING THE FIRM OF KOLDER, SLAVEN & COMPANY, LLC, AS INDEPENDENT AUDITORS FOR THE LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT IN ACCORDANCE WITH SECTION 2-09 OF THE LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT HOME RULE CHARTER

BE IT RESOLVED by the Lafayette City Council and the Lafayette Parish Council, that:

WHEREAS, Section 2-09 of the Lafayette City-Parish Consolidated Government Home Rule Charter (the Charter) provides that the Lafayette City Council and the Lafayette Parish Council, by majority vote of each Council, shall jointly provide for an annual independent post fiscal year audit of the City-Parish Government; and

WHEREAS, Section 2-09 of the Charter further provides that the private auditor so designated shall be without personal interest in the affairs subject to audit, shall not participate in budget preparation and adoption, and shall be a certified public accountant or firm of such accountants; and

WHEREAS, there is a need for the Lafayette City Council and the Lafayette Parish Council to jointly designate an auditor meeting these requirements, and the Lafayette City Council and the Lafayette Parish Council desire to appoint the firm of Kolder, Slaven & Company, LLC, for such purposes, for the Fiscal Years ending October 31, 2024 and October 31, 2025; and

WHEREAS, a joint resolution of the Lafayette City Council and the Lafayette Parish Council is in order to make such designation.

NOW, THEREFORE, BE IT FURTHER RESOLVED by the Lafayette City Council and the Lafayette Parish Council, that:

SECTION 1: All of the aforementioned "Whereas" clauses are adopted as part of this resolution.

SECTION 2: The Lafayette City Council and the Lafayette Parish Council hereby designates and appoints the firm of Kolder, Slaven & Company, LLC, as private auditor for the purposes, and to perform the duties, set forth in Section 2-09 of the Charter, for the Fiscal Years ending October 31, 2024 and October 31, 2025.

SECTION 3: All resolutions, or parts thereof, in conflict herewith are hereby repealed.

This resolution having been submitted to a vote, the vote on behalf of the Lafayette City Council thereon was as follows:

YEAS: Broussard, Naquin, Hebert, Hooks, Boudreaux

NAYS: None

ABSENT: None

ABSTAIN: None

This resolution having been submitted to a vote, the vote on behalf of the Lafayette Parish Council thereon was as follows:

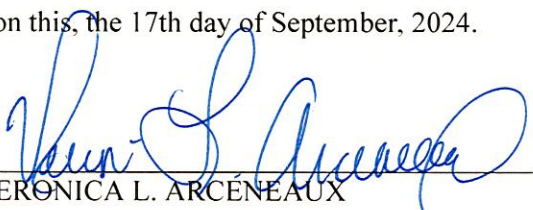
YEAS: Tabor, Richard, Stansbury, Guilbeau, Rubin

NAYS: None

ABSENT: None

ABSTAIN: None

AND the resolution was declared adopted on this, the 17th day of September, 2024.


VERONICA L. ARCÉNEAUX
LAFAYETTE CLERK OF THE COUNCIL



Memorandum

Legal Department
Patrick S. Ottinger, City-Parish Attorney

TO: Veronica L. Arceneaux, Clerk of the Councils **DATE:** September 5, 2024
FROM: Patrick S. Ottinger, City-Parish Attorney
SUBJECT: Approval of Selection and Engagement of Auditor

Vee, by e-mail dated September 4, 2024, you posed the following question:

Both Council chairs have already signed the audit engagement letters [for the conduct of the independent audit required by the Charter], which is the normal process. For the most part, it has been done by the Chairs simply signing the engagement letters.

After looking at the Charter, please confirm whether a joint resolution is needed to confirm the auditor.

As you note, Section 2-09 of the Home Rule Charter provides, in relevant part, as follows:

The City Council and Parish Council, by majority vote of each Council, shall jointly provide for an annual independent post fiscal year audit of the City-Parish Government, including those of all City-Parish Government departments, offices or agencies, and shall jointly designate a private auditor to make such audit.

By using the word "shall," this action is mandatory as prescribed in the Charter. Thus, the designation of an auditor is authorized by the Charter, and no ordinance is required. Certainly, this action is not listed in Section 2-11A of the Charter which enumerates, on a non-exclusive basis, certain "act[s] of either Council having the force of law" which "shall be by ordinance."

Further, Section 2-11C of the Charter states that "[a]n act of the City or Parish Council which is not to have the force of law may be enacted by resolution." The provision further states that a "resolution may be used by either Council for purposes such as a formal expression or will of the Council; to authorize a person or persons to sign legal . . . documents for a . . . purpose . . . as may be authorized by this charter." Certainly, it is not by ordinance as an ordinance can be vetoed by the Mayor-President.

Therefore, I suggest that the designation of the auditor should be authorized and confirmed by Joint Resolution of both Councils.

A handwritten signature in black ink, appearing to be "P. Ottinger", is written above the contact information.

t: 337.291.8015 / psottinger@lafayettela.gov / f: 337.232.9867

KOLDER, SLAVEN & COMPANY, LLC
CERTIFIED PUBLIC ACCOUNTANTS

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

Of Counsel
C. Burton Kolder, CPA*

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

* A Professional Accounting Corporation

P. O. Box 82329
Lafayette, LA 70598

Phone (337) 232-4141
Fax (337) 232-8660

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

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

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

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

WWW.KCSRPCAS.COM

July 22, 2024

Lafayette Parish Council and Lafayette City Council
Lafayette City-Parish Consolidated Government
P. O. Box 4017-C
Lafayette, LA 70502

We are pleased to confirm our understanding of the services we are to provide the Lafayette City-Parish Consolidated Government for the years ended October 31, 2024 and 2025.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements, of the Lafayette City-Parish Consolidated Government as of and for the years ended October 31, 2024 and 2025. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Lafayette City-Parish Consolidated Government's 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. As part of our engagement, we will apply certain limited procedures to the Lafayette City-Parish Consolidated Government's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding 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 will 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. The management's discussion and analysis, budgetary comparison schedule, schedule of changes in total OPEB liability and related ratios, schedule of employer's share of net pension liability, schedule of employer contributions, and the notes to the required supplementary information are required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited.

Member of:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

Member of:
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

We have also been engaged to report on supplementary information other than RSI that accompanies the Lafayette City-Parish Consolidated Government's financial statements. We will subject the various individual fund statements, the nonmajor component unit statements, the justice system funding schedule, and the schedule of expenditures of federal awards, to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on them in relation to the financial statements taken as a whole, in a report combined with our auditor's report on the financial statements.

The introductory section, detailed budgetary comparison schedules, governmental fund schedules of revenues, expenditures, and changes in fund balances - budget to actual, schedules of expenditures compared to capital budget, and statistical section will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that other information.

The component units which will be included in the financial statements of Lafayette City-Parish Consolidated Government, as defined in GASB Cod. Section 2100, are Lafayette Public Power Authority (LPPA), Cajundome Commission, Downtown Development Authority, City Court of Lafayette, Lafayette Parish Regional Airport, Lafayette Parish Waterworks District North, Lafayette Parish Waterworks District South, Lafayette Public Trust Financing Authority (LPTFA), Lafayette Parish Bayou Vermilion District, and Lafayette Parish Communication District. Accordingly, the financial statements of these entities will be included as part of the financial statements of Lafayette City-Parish Consolidated Government. The report on the financial statements of the Cajundome Commission, City Court of Lafayette, Lafayette Regional Airport, Lafayette Parish Waterworks District North, Lafayette Parish Waterworks District South, Lafayette Parish Bayou Vermilion District, and Lafayette Parish Communication District, insofar as it relates to amounts included for these particular entities, will be based on the reports of other auditors.

The objectives of our audit 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 issue an auditor's report that includes our opinions about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objective also includes reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Auditor's Responsibilities for the Audit of the Financial Statements and Single Audit

We will conduct our audit in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

Our audit of financial statements does not relieve you of your responsibilities.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions.

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, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures – Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Lafayette City-Parish Consolidated Government's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the Lafayette City-Parish Consolidated Government's major programs. For federal programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on the Lafayette City-Parish Consolidated Government's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will also assist in preparing the financial statements and related notes of Lafayette City-Parish Consolidated Government in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*.

We will perform the services in accordance with applicable professional standards. The other services are limited to the preparation of the financial statements and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Responsibilities of Management for the Financial Statements and Single Audit

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations (including federal statutes), and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of financial statements, schedule of expenditures of federal awards, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants.

You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received, and COVID-19-related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon or make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, the related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with the preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them.

Further, you agree to oversee the nonaudit services by designating an individual, preferable from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant those emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

Staff Recruiting

With the talented members we have hired, we expect there may be occasions where the Lafayette City-Parish Consolidated Government may recruit one of our valuable team members to become part of your organization. To ensure that our independence is not impaired under the AICPA Code of Professional Conduct, the Lafayette City-Parish Consolidated Government agrees to notify the engagement partner immediately before entering into any substantive employment discussions with any of our personnel. If after notification to the engagement partner it is determined that the hire will not impede the engagement, the Lafayette City-Parish Consolidated Government may hire the personnel.

Publication of Report

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on the Lafayette City-Parish Consolidated Government's website, management understands that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document. Management is responsible to notify us in advance of your intent to print our report, in whole or in part, and to give us the opportunity to review such printed matter before its issuance.

Louisiana Governmental Audit Guide

Our engagement will be performed in accordance with the Louisiana Governmental Audit Guide, authorized by Louisiana Revised Statute 24:513 A. (5) (a) (i), which is published jointly by the Louisiana Legislative Auditor and the Society of Louisiana Certified Public Accountants.

Additionally, our engagement will be performed in accordance with *Government Auditing Standards*, and *US Office of Management and Budget publication Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, if applicable.

We will notify the Legislative Auditor, immediately and in writing, of:

- Any fraud, abuse or illegal acts that are detected during our engagement.
- Any client-imposed scope restrictions, to include failure to provide the appropriate books and records in a timely manner; or denial of access to appropriate books and records.
- Any significant disagreements with the local auditee.
- Any change in the scope of the engagement (for example, a change from an audit engagement to a review/attestation engagement), to include all reasons for such change.
- Any decision to withdraw from or cancel the engagement, to include all substantive reasons for the withdrawal or cancellation.
- Our decision to disclaim the auditor's opinion, or to render an adverse opinion on the financial statements for any reason other than omitted component units.
- Any breach of the security of our firm's computer system, defined in Louisiana Revised Statute 51:3073 as the compromise of the security, confidentiality, or integrity of computerized data that results in, or there is a reasonable likelihood to result in, the unauthorized acquisition of and access to the local auditee's personal information, as defined in Louisiana Revised Statute 51:3073.

It is understood that our audit documentation is confidential information. However, we will make our audit documentation available to the Legislative Auditor, any successor auditor, or any organization of the Louisiana Board of Certified Public Accountants authorized to perform quality assurance reviews. We will follow the Louisiana Legislative Auditor's policy regarding confidentiality of audit documentation found in the Louisiana Governmental Audit Guide when giving access to audit documentation to any parties other than those previously named individuals and organizations. Should we become aware of any illegal acts, we will make our engagement documentation available to the local district attorney and/or any other state or federal enforcement or regulatory agency without liability. We will retain the audit documentation for a minimum of five years.

Immediately upon completion of the engagement, we will submit a copy of the report, any management letter, and management's corrective action plan (if applicable) to the local auditee and the Legislative Auditor. Either we or the local auditee will submit a copy of the report, any management letter, and management's corrective action plan (if applicable) to the following persons and agencies, as applicable:

- Each member of the local auditee's governing board
- Each Louisiana state agency providing financial assistance to the local auditee
- The Federal Audit Clearinghouse, as required by 2 CFR Section 200.512

Subsequent to the issuance of the report, should it be necessary to revise and reissue the report, we will notify the Legislative Auditor immediately. We will distribute such revised and reissued report in the same manner and to the same individuals and organizations as the original report.

The local auditee will prepare and sign the compliance questionnaire; adopt it in an open meeting of the local auditee's board (if applicable) and return it to us. We will test the local auditee's compliance with the applicable laws during the performance of our audit and will report on any matters of noncompliance that are material to the financial statements.

The schedule of compensation, reimbursements, benefits, and other payments to the local auditee's agency head, political subdivision head, or chief executive officer required by Louisiana Revised Statute 24:513 A. (3) will be included in the report as supplementary information other than required supplementary information; or in the notes to the financial statements. If included as supplementary information, we will provide an opinion on the schedule in relation to the financial statements as a whole.

The schedule of per diem paid to the local auditee's council members required by House Concurrent Resolution No. 54 of the 1979 Legislative Session will be included in the report, if applicable.

The justice system funding reporting schedules required by Act 87 of the 2020 Regular Legislative Session (R.S. 24:515.2) will be included in the report, if applicable.

We will notify the local auditee of any breach of the security of our firm's computer system, defined in R.S. 51:3073 as the compromise of the security, confidentiality, or integrity of computerized data that results in, or there is a reasonable likelihood to result in, the unauthorized acquisition of and access to the local auditee's personal information, as defined in R.S. 51:3073.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings, if applicable. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's reports or nine months after the end of the audit period.

We will provide copies of our reports to the Lafayette City-Parish Consolidated Government; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

Agreed Upon Procedures – Statewide AUPs

You will agree to the procedures listed in the attached schedule and will acknowledge that the procedures to be performed are appropriate for the intended purpose of this engagement, which is to perform specified procedures 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 years ended October 31, 2024 and 2025. These procedures were also agreed to by LLA, and LLA acknowledges that the procedures are appropriate for the intended purpose of the engagement. The LLA may provide additional guidance during the term of this engagement which could modify the procedures included in attachment A. You acknowledge your agreement to any modifications made by the LLA to these procedures.

Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we obtain your written agreement to the procedures to be applied and your acknowledgment that those procedures are appropriate for the intended purpose of the engagement, as described in this letter. The agreement and acknowledgement are contained within this letter. A refusal to provide such agreement and acknowledgement will result in our withdrawal from the engagement. We make no representation that the procedures we will perform are appropriate for the intended purpose of the engagement or for any other purpose.

Because the agreed-upon procedures listed in the attached schedule do not constitute an examination or review, we will not express an opinion or conclusion on C/C areas. In addition, we have no obligation to perform any procedures beyond those listed in the attached schedule.

We will issue a written report upon completion of our engagement that lists the procedures performed and our findings. Our report will be addressed to the Entity and the LLA and will be published on the LLA's website as a public document.

If we encounter restrictions in performing our procedures, we will discuss the matter with you. If we determine the restrictions are appropriate, we will disclose the restrictions in our report.

Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

You understand that the report is intended solely for the use of the Entity and LLA, and should not be used by anyone other than those specified parties.

There may exist circumstances that, in our professional judgment, will require we not issue a report and withdraw from the engagement. Such circumstances include the following:

- You refuse to provide written agreement to the procedures and acknowledge that they are appropriate for the intended purpose of the engagement.
- You fail to provide requested written representations, or we conclude that there is sufficient doubt about the competence, integrity, ethical values, or diligence of those providing the written representations, or we conclude that the written representations provided are otherwise not reliable.
- We determine that the description of the procedures performed or the corresponding findings are misleading in the circumstances of the engagement.
- We determine that restrictions on the performance of the engagement are not appropriate.

An agreed-upon procedures engagement is not designed to detect instances of fraud or noncompliance with laws or regulations (unless otherwise specified in the agreed-upon procedures); however, we will communicate to you any known and suspected fraud and noncompliance with laws or regulations affecting the C/C areas that come to our attention. In addition, if, in connection with this engagement, matters come to our attention that contradict the results of the procedures performed in C/C areas, we will disclose those matters in our report. Such disclosures, if any, may not necessarily include all matters that might have come to our attention had we performed additional procedures or an examination or review.

You agree to the procedures to be performed, and acknowledge that they are appropriate for the intended purpose of the engagement.

You are responsible for the C/C areas and ensuring that these areas are administered in accordance with the best practices criteria presented in the SAUPs; and for selecting the criteria and procedures and determining that such criteria and procedures are appropriate for your purposes.

In addition, you are responsible for providing us with (1) access to all information of which you are aware that is relevant to the performance of the agreed-upon procedures on the subject matter, (2) additional information that we may request for the purpose of performing the agreed-upon procedures, and (3) unrestricted access to persons within the Entity from whom we determine it necessary to obtain evidence relating to performing those procedures.

At the conclusion of our engagement, we will require certain written representations in the form of a representation letter from management that, among other things, will confirm management's responsibility for the C/C areas and administration of those areas in accordance with the best practices criteria in the SAUPs.

Engagement Fee and Completion

The estimated fee and engagement completion date has been based on anticipated cooperation from the Lafayette City-Parish Consolidated Government's personnel and the assumption that unexpected circumstances that would cause us to expand normal procedures will not be encountered during the audit. Unexpected circumstances are defined as (a) destruction or disappearance of records, (b) discovery or accusations of fraud, (c) misappropriation, abuse, or waste, (d) material noncompliance of laws, grant agreements, or contracts, (e) new accounting standards, (f) significant additional federal funding, (g) or situations beyond our control or knowledge. We will schedule the engagement based in part on deadlines, working conditions, and the availability of your key personnel. We will plan the engagement based on the assumption that your personnel will provide assistance by performing tasks such as preparing requested schedules (as indicated in our prepared by client list), retrieving supporting documents, and preparing confirmations.

The engagement completion date will be no later than the April 30th submission deadline for the Legislative Auditor, GFOA, and bond compliance reporting. The proposed fee and completion date are based on the assumption that: (1) all bank reconciliations are accurately prepared and agree to the general ledger, (2) all accounts receivables and payables have been properly accrued, reconciled, and recorded, (3) all subsidiary ledgers/schedules have been reconciled and agree to the general ledger, (4) all interfund transactions are accurately reported and are in balance, (5) your final trial balances and general ledgers will be provided at least seven weeks subsequent to your fiscal year-end, (6) assets, liabilities, revenues and expenses are reported in the proper funds and accounts (7) the requested schedules on the prepared by client listing are provided by the due dates indicated, and (8) a complete and accurate schedule of federal expenditures is provided by the due date indicated on the prepared by client listing. If for whatever reason your personnel are unavailable to provide the necessary assistance in a timely manner or unexpected circumstances occur (as defined above), it may substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate and/or a delay in the requested engagement completion date. If significant additional time is necessary, we will discuss it with management and arrive at a new fee estimate, if possible, before we incur the additional costs and/or revised completion date.

Our annual fee for the financial statement audit will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, typing, postage, travel, copies, telephone, etc.). Our fee also includes assistance with the drafting and preparation of the financial statements, footnote disclosures and other financial and statistical information to be included in the financial report. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our annual fees estimated below:

Services	Estimated Range	
Audit of the financial statements	\$ 298,850	- \$ 378,500
Assistance with GASB 68/75 schedules	16,150	- 18,500
Assistance with drafting ACFR	22,500	- 25,000
	337,500	- 422,000
Contingency for allegations/findings	27,650	- 46,158
Total	\$ 365,150	- \$ 468,158
Agreed-upon Procedures	\$ 18,750	- \$ 24,000

Lafayette Parish Council and Lafayette City Council
July 22, 2024
Page 12

The Legislative Auditor may direct us to address matters for inclusion in our reports or other means. We will respond to such requests in the appropriate manner, and charges related to such matters will be invoiced as an addition to the projected fee at our standard hourly rates.

Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. We will allocate our fees to funds specified by management as requiring allocation of audit costs. The above fee and deadlines are based on maximum cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit.

Reporting

We will issue written reports upon completion of our Single Audit. Our reports will be addressed to management and the governing board. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will state that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Engagement Administration

The audit documentation for this engagement is the property of Kolder, Slaven, & Company, LLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the Legislative Auditor or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office or other agency for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Kolder, Slaven & Company, LLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

If any dispute arises among the parties hereto, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Rules for Professional Accounting and Related Services Disputes before resorting to litigation. The costs of any mediation proceeding shall be shared equally by all parties.

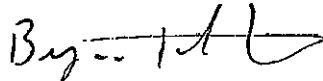
Mr. Bryan Joubert, CPA, CGMA (Kolder, Slaven & Company, LLC, 183 South Beadle Road, Lafayette, LA, 70508, telephone number (337) 232-4141) is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. It is our understanding that you have assigned Ms. Karen Fontenot, Chief Financial Officer, (P.O. Box 4017-C, Lafayette, LA, 70502, telephone (337) 291-8202) as your representative during the audit.

We appreciate the opportunity to be of service to the Lafayette City-Parish Consolidated Government and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

In accordance with the provisions of state law, this engagement agreement must be approved by the Legislative Auditor prior to commencement of our work. Upon receipt of your signature and approval, we will seek approval of the Legislative Auditor of this engagement.

Respectfully,

KOLDER, SLAVEN & COMPANY, LLC
Certified Public Accountants



Bryan K. Joubert, CPA

Enclosure

ENGAGEMENT APPROVED:


Bryan Tabor, Jr., Parish Council Chair

8/20/24
Date


Liz Hebert, City Council Chair

8-23-24
Date

LAFAYETTE CITY COUNCIL & LAFAYETTE PARISH COUNCIL
AGENDA ITEM SUBMITTAL FORM

- 1) **JUSTIFICATION FOR REQUEST:** A joint resolution of the Lafayette City Council and the Lafayette Parish Council naming and designating the firm of Kolder, Slaven & Company, LLC, as independent auditors for the Lafayette City-Parish Consolidated Government in accordance with Section 2-09 of the Lafayette City-Parish Consolidated Government Home Rule Charter.

- 2) **ACTION REQUESTED:** Adoption of Resolution_____

- 3) **REQUESTED ACTION OF LAFAYETTE CITY COUNCIL:**
A) INTRODUCTION: 09-17-2024
B) FINAL ADOPTION: 09-17-2024

- 4) **DOCUMENTATION INCLUDED WITH THIS REQUEST:**
A) Resolution
B) Legal opinion
C) Auditor letter
D) Submittal Form

- 5) **FISCAL IMPACT:**
_____Fiscal Impact (Explain)
 X No Fiscal Impact

AUTHORED BY:
/s/ Liz Hebert
LIZ HEBERT, CHAIR
LAFAYETTE CITY COUNCIL

AUTHORED BY:
/s/ Bryan Tabor
BRYAN TABOR, CHAIR
LAFAYETTE PARISH COUNCIL

