



# Report Highlights

## Bayou D'Arbonne Lake Watershed District

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Audit Control # 80160202  
Financial Audit Services • May 2017

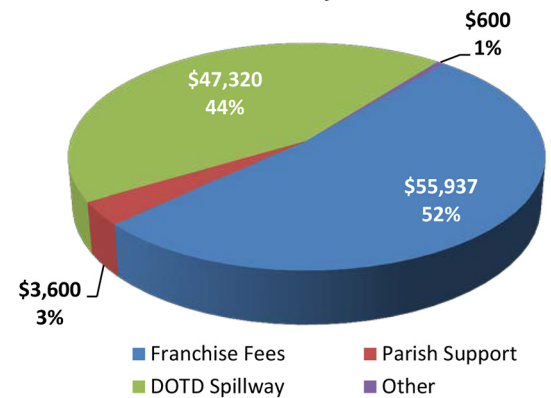
### Why We Conducted This Work

We conducted procedures at the Bayou D'Arbonne Lake Watershed District (District) to evaluate certain controls the District uses to ensure accurate financial reporting and transparency, compliance with applicable laws and regulations, and overall accountability over public funds for the fiscal year ended December 31, 2016.

### What We Found

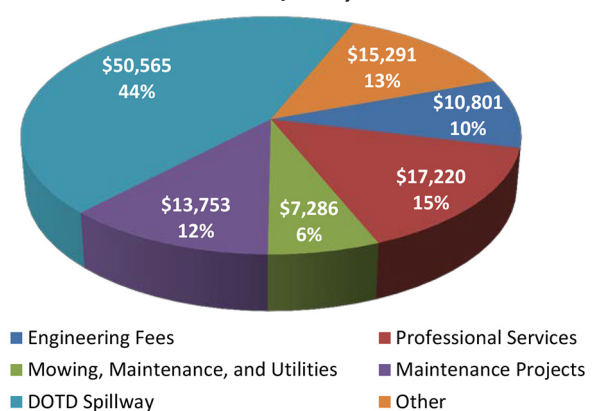
- The District does not have written policies and procedures for its primary financial and business functions to include those for cash reconciliation, budgeting, revenues and receipts, purchasing, disbursements, contracting, related parties, and ethics.
- The District made payments for legal, bookkeeping, and board minutes transcription services during the fiscal year ended December 31, 2016, totaling \$12,800 without obtaining written contracts for these services.
- Four of six board commissioners did not complete the annual requirement of one hour of ethics education and training required by state law.
- We evaluated the controls and transactions relating to cash, franchise fees, parish support, Department of Transportation and Development (DOTD) funding, contracts, other nonpayroll expenditures, the budget, and ethics. Except as noted above, we found these controls provided reasonable assurance of accountability over public funds for the period examined.
- We compared the most current and prior-year financial activity to identify trends and obtained explanations from management for any significant variances that could potentially indicate areas of risk. Management provided reasonable explanations for all significant variances. The charts at right show the District's cash basis revenues and expenditures for the year ended December 31, 2016.

**Exhibit 1: 2016 Revenues**  
Total \$107,457



Source: District General Ledger as of December 31, 2016

**Exhibit 2: 2016 Expenditures**  
Total: \$114,916



Source: District General Ledger as of December 31, 2016