

**D.A.R.T.**  
**(Domestic Abuse Resistance Team)**  
Ruston, Louisiana

*Financial Statements*  
*For The Year Ended December 31, 2017*



**D. A. R. T.**  
**(Domestic Abuse Resistance Team)**  
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**For The Year Ended December 31, 2017**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
D.A.R.T (Domestic Abuse Resistance Team)  
Ruston, Louisiana 71270

We have audited the accompanying financial statements of D.A.R.T. (Domestic Abuse Resistance Team), (a nonprofit organization) which comprise the statement of financial position as of December 31, 2017, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of D.A.R.T. (Domestic Abuse Resistance Team), as of December 31, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of grant activities on page 18, the schedule of compensation, reimbursements, benefits and other payments to agency head on page 19, and the accompanying schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, on page 25, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2018, on our consideration of D.A.R.T.'s (Domestic Abuse Resistance Team'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 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 D.A.R.T.'s (Domestic Abuse Resistance Team's) internal control over financial reporting and compliance.

*Cameron, Hines & Company (APAC)*

West Monroe, Louisiana  
June 25, 2018



## **Financial Statements**

**D.A.R.T.**  
**(Domestic Abuse Resistance Team)**  
**Statement of Financial Position**  
**December 31, 2017**

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**ASSETS**

**Current Assets**

Cash and Cash Equivalents	\$ 132,099
Investments	113,611
Accounts Receivable	112,228
Prepaid Expenses	<u>1,515</u>
Total Current Assets	359,453

**Property and Equipment**

Net of accumulated depreciation of \$101,859	231,939
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**TOTAL ASSETS**

\$ 591,392

**LIABILITIES AND NET ASSETS**

**Current Liabilities**

Accounts Payable & Accrued Liabilities	\$ 3,290
Deferred Revenues	3,857
Accrued Salaries & Payroll Taxes	10,376
Accrued Sick Time	<u>10,709</u>
Total Current Liabilities	28,232

**Total Liabilities**

28,232

**Net Assets**

Net Assets - Unrestricted	508,394
Net Assets - Temporarily Restricted	54,766
Net Assets - Permanently Restricted	<u>-</u>
Total Net Assets	<u>563,160</u>

**TOTAL LIABILITIES AND NET ASSETS**

\$ 591,392

The accompanying notes are an integral part of this financial statement.

**D.A.R.T.**  
**(Domestic Abuse Resistance Team)**  
**Statement of Activities**  
**For the Year Ended December 31, 2017**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Changes in Net Assets:</b>			
Revenues and Gains:			
Grants	\$ -	\$ 740,072	\$ 740,072
Public Support Donations	53,418	24,199	77,617
Fund Raisings	58,673	13,237	71,910
Investment Return	10,880		10,880
Total Revenues & Gains	<u>122,971</u>	<u>777,508</u>	<u>900,479</u>
 <b>Net Assets Released From Restrictions</b>			
Satisfaction of Program Restrictions	<u>763,666</u>	<u>(763,666)</u>	<u>-</u>
 <b>Total Revenues, Gains, and Other Support</b>	 886,637	 13,842	 900,479
 <b>Expenses and Losses:</b>			
Program Services	677,323	-	677,323
Fundraising	55	-	55
Management and General	135,286	-	135,286
Total Expenses	<u>812,664</u>	<u>-</u>	<u>812,664</u>
 Loss on Disposal of Equipment	 3,519	 -	 3,519
Total Expenses and Losses	<u>816,183</u>	<u>-</u>	<u>816,183</u>
 <b>Increase in Net Assets</b>	 70,454	 13,842	 84,296
 <b>Net Assets at Beginning of Year</b>	 <u>437,940</u>	 <u>40,924</u>	 <u>478,864</u>
 <b>NET ASSETS AT END OF YEAR</b>	 <u><u>\$ 508,394</u></u>	 <u><u>\$ 54,766</u></u>	 <u><u>\$ 563,160</u></u>

The accompanying notes are an integral part of this financial statement.

**D.A.R.T**  
**(Domestic Abuse Resistance Team)**  
**Statement of Functional Expenses**  
**For the Year Ended December 31, 2017**

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	<b>Program Services</b>	<b>Fundraising</b>	<b>Management &amp; General</b>	<b>Total</b>
Salaries	\$ 450,067	\$ -	\$ 70,712	\$ 520,779
Fringe	77,483	-	14,208	91,691
Travel	12,900	-	813	13,713
Operating Expense	77,270	-	24,844	102,114
Supplies	33,731	-	1,411	35,142
Training	817	-	-	817
Client Care	25,055	-	-	25,055
Audit & Legal Fees	-	-	4,300	4,300
Fund Raising Expenses	-	55	60	115
Depreciation	-	-	18,938	18,938
<b>Totals</b>	<b>\$ 677,323</b>	<b>\$ 55</b>	<b>\$ 135,286</b>	<b>\$ 812,664</b>

The accompanying notes are an integral part of this financial statement.

**D.A.R.T.**  
**(Domestic Abuse Resistance Team)**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2017**

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<b>Cash Flows From Operating Activities</b>	
Receipts from Granting Agencies and Contributors	\$ 906,674
Payments to Suppliers for Goods and Services	(185,945)
Payments to Employees	(520,779)
Payments of Payroll Taxes & Fringe Benefits	(88,070)
Net Cash Provided by Operating Activities	<u>111,880</u>
<b>Cash Flows From Investing Activities</b>	
Purchases of Property and Equipment	(65,776)
Purchases of Investments	(102,808)
Net Cash Used by Investing Activities	<u>(168,584)</u>
<b>Cash Flows From Financing Activities</b>	
Net Cash Provided by Financing Activities	<u>-</u>
<b>Net Decrease in Cash and Cash Equivalents</b>	(56,704)
<b>Cash and Cash Equivalents at Beginning of Year</b>	<u>188,803</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u><u>\$ 132,099</u></u>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>	
Increase in Net Assets	\$ 84,296
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	18,938
Unrealized gains on investments	(2,133)
Realized gains on investments	(7,536)
Dividend Income	(1,134)
Loss on Disposition of Equipment	3,519
Increase in Accounts Receivable	16,998
Increase in Accounts Payable and Accrued Liabilities	(4,034)
Decrease in Prepaid Expenses	361
Increase in Deferred Revenues	(1,016)
Increase in Accrued Salaries and Payroll Taxes	461
Decrease in Accrued Sick Time	3,160
Net Cash Provided by Operating Activities	<u><u>\$ 111,880</u></u>

The accompanying notes are an integral part of this financial statement.

**D.A.R.T.**  
**(Domestic Abuse Resistance Team)**  
**Notes to Financial Statements**  
**For The Year Ended December 31, 2017**

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**Note 1 – Summary of Significant Accounting Policies**

**a. Reporting Entity:**

D.A.R.T. (Domestic Abuse Resistance Team) is a nonprofit organization established in 1994 under the provisions of Louisiana law (Louisiana Revised Statutes 12.1201 et. seq. and Section 501 (c) (3) of the Internal Revenue Code) with its mission, as described in its Articles of Incorporation, being “to provide services for abused residents of Lincoln Parish and to organize, maintain, and perpetuate a shelter for the benefit, advantage, and welfare of its citizens of Lincoln Parish, Louisiana, who may be subjected to some form of abuse.” D.A.R.T. was also established to coordinate the activities of other agencies offering services to victims of domestic abuse in Lincoln, Union, Bienville, Claiborne, Jackson, Grant, and Winn Parishes in an effort to avoid unnecessary and wasteful duplication and to provide services not available in the service area.

D.A.R.T. was formed through the efforts of local agencies and is supported by several organizations and offices (including the District Judge’s Office, Ruston City Police Department, Lincoln Parish Health Department, Volunteers of America, Lincoln Parish Sheriff’s Office, Ruston Mental Health Center, District Attorney’s Office, Lincoln Council on Aging, United Way, and Christian Community Action).

Since the inception of D.A.R.T. in January 1994, the Board of Directors has overseen the procurement of funds through grants, fundraising activities, and donations. A shelter has been opened in Ruston to provide residential assistance to victims of domestic violence and their dependents. This assistance includes, but is not restricted to, 24-hour shelter to provide safe refuge and temporary lodging for victims of family violence and their dependents; a 24-hour crisis line; individual and group counseling; legal advocacy and case management. In addition, D.A.R.T. has opened 7 non-residential offices to provide non-residential assistance to victims of domestic violence.

**b. Presentation of Statements:**

The financial statements are prepared on the accrual basis of accounting. Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in FASB ASC 958 (Formerly Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-For-Profit Organizations*) Under ASC 958, D.A.R.T. is required to report its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. Also required is the presentation of the statement of cash flows.

**D.A.R.T.**  
**(Domestic Abuse Resistance Team)**  
**Notes to Financial Statements**  
**For The Year Ended December 31, 2017**

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Unrestricted net assets represent those assets which are not subject to donor-imposed stipulations and, therefore, are assets the organization may use at its discretion.

Temporarily restricted net assets result from contributions and other inflows of assets whose use by the organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of D.A.R.T., pursuant to those stipulations.

Permanently restricted net assets result from contributions and other inflows of assets whose use by the organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of D.A.R.T.

Net assets of the two restricted classes are created only by donor-imposed restrictions on their use. All other net assets, including board designated or appropriated amounts, are legally unrestricted and are reported as part of the unrestricted class.

D.A.R.T. does not have any permanently restricted net assets for year ended December 31, 2017.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-stipulated restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is unrestricted by explicit donor stipulations or by law. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

**c. Contributions:**

D.A.R.T. has adopted ASC 958-310 (Formerly Statement of Financial Accounting Standards (SFAS) No. 116, *Accounting for Contributions Received and for Contributions made.*) In accordance with ASC 958-310, contributions are recognized when the donor makes a promise to give and are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or nature of any donor restrictions.

D.A.R.T. reports gift of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or

**D.A.R.T.**  
**(Domestic Abuse Resistance Team)**  
**Notes to Financial Statements**  
**For The Year Ended December 31, 2017**

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purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

The organization reports contributions of assets other than cash at their estimated fair value at the date of the gift and are reported as revenues of the unrestricted net asset class unless explicit donor stipulations specify how the donated asset must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as revenues of the temporarily restricted or permanently restricted net asset classes. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restriction when the donated or acquired long-lived assets are placed in service.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted or permanently restricted support that increases those net assets classes. When a qualifying expenditure occurs or a time restriction expires, temporarily restricted assets are recognized in unrestricted net assets as "net assets released from restriction" in the statement of activities.

**d. Fund Accounting:**

The accounts of the organization are maintained in accordance with the principles of fund accounting. Under fund accounting, resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund; however, in the accompanying financial statements, funds that have similar characteristics have been combined into fund groups. In accordance with FASB ASC 958, fund balances are classified on the Statement of Financial Position as unrestricted, temporarily restricted, or permanently restricted net assets based on the absence or existence and type of donor-imposed restrictions.

Program funding is provided by grants from the following sources:

Emergency Shelter Grant Program

The Louisiana Housing Corporation has deemed it appropriate to grant, through the state, certain sums of money to be used by the Contractor in assisting needy homeless individuals to receive shelter and other essential services to assist pursuant to rules and authorized by this agreement will be performed in accordance with the approved project descriptions(s), approved budget(s), and relevant state and federal directives and policies.



**D.A.R.T.**  
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**Notes to Financial Statements**  
**For The Year Ended December 31, 2017**

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Crime Victims Assistance Grant Program

The program is to be operated by a public agency or non-profit organization, or combination thereof, and provides service to crime victims. The program requires promotion of, within the community served, coordinated public and private efforts to aid crime victims. The program must demonstrate that it will coordinate its activities with other service providers in the community so that the best interests of the crime victim are served and interagency communication enhanced.

Louisiana Department of Children and Family Services, Federal and State Family Violence Funds, TANF funds, & Marriage License and Civil Fee Funds

These funds are to be used to provide services to victims of family violence and their children including crisis intervention, emergency safe shelter, advocacy, support groups, counseling, operation of crisis line, children's services, and community education and outreach activities.

The program/agency assures and certifies the following upon receipt of State and Federal Family Violence Funds.

These funds will not be used as direct payment of any victim or dependent of a victim of family violence.

No income eligibility standard will be imposed on individuals receiving assistance of services supported with these funds.

All services shall be provided without discrimination on the basis of age, handicap, sex, race, color, national origin, religion, or on the basis of sexual orientation.

That the program/agency shall have staffing provision and personnel policy that employment practices will be executed without discrimination on the basis of age, handicap, sex, race, color, national origin, religion, or on the basis of sexual orientation.

Violence Against Women Grant

The project funds a portion of the legal advocate's salary and fringe benefits to assist clients with services. All activities authorized by this agreement will be performed in accordance with the approved project description(s), approved budget(s) state and federal directives and policies.

**D.A.R.T.**  
**(Domestic Abuse Resistance Team)**  
**Notes to Financial Statements**  
**For The Year Ended December 31, 2017**

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Interest on Lawyers' Trust Accounts Grant

The Louisiana Bar Foundation provides grant revenue to assist in providing legal advocacy to the indigent victims of domestic violence. These funds assist in the continuation and expansion of the legal advocacy program.

United Way

The United Way funding is used to pay a portion of the salaries and taxes of several D.A.R.T employees.

**e. Budget Policy:**

The D.A.R.T. follows these procedures in establishing the budgetary data reflected in these financial statements.

The various grant sources have established budgets by which expenditures are determined and monitored at the time of applications and approval of grants.

The budget is prepared on modified accrual basis, consistent with the basis of accounting for comparability of budgeted and actual revenues and expenditures. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.

Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control device. Expenditures cannot legally exceed appropriations on an individual fund level.

**f. Fixed Assets:**

All fixed assets are stated at historical cost. Donated fixed assets are stated at their estimated fair market value on the date donated if listed in schedule of assets. Depreciation of furniture and equipment is provided on the straight-line basis over an estimated useful life of five years. Depreciation of leasehold improvements is provided on the straight-line basis over an estimated useful life of 15 years. The board has established a \$500 capitalization policy.

**g. Reclassifications:**

Certain amounts presented in the prior year have been reclassified in order to compare with the current year's presentation.

**D.A.R.T.**  
**(Domestic Abuse Resistance Team)**  
**Notes to Financial Statements**  
**For The Year Ended December 31, 2017**

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**h. Annual and Sick Leave:**

Compensated leave will be recorded as fund expenditures in the year in which they are paid. The Agency's sick leave policy provides for the accumulation of up to 80 hours per year and a maximum of 120 hours total. Accumulated sick leave at December 31, 2017 is \$7,549.

**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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**j. Income Tax Status:**

D.A.R.T., a non-profit corporation, is exempt from federal income taxation under Section 501(c) (3) of the Internal Revenue Code, except for taxes pertaining to unrelated business income. In addition, it has been determined that D.A.R.T. is not a private foundation within the meaning of Section 509(a) of the Internal Revenue Code. No provision has been made for income taxes in the accompanying financial statements since D.A.R.T. does not have a significant amount of unrelated business income for the year ended December 31, 2017.

The provisions of ASC 740-10 (Formerly FASB Interpretation No. 48 (FIN 48)) were adopted by the organization on January 1, 2009. The adoption of ASC 740-10 did not result in any changes to net assets or deferred income tax liabilities.

Accrued interest and penalties associated with uncertain tax positions are included as a component of the provision for income taxes. There were no unrecognized tax benefits at January 1, 2009. For the year ended December 31, 2017, there were no unrecognized tax benefits, or accrued interest and penalties.

The company files Form 990, an informational tax return in the U.S. federal tax jurisdiction. Federal tax returns prior to 2014 are closed.

**k. Cash and Cash Equivalents:**

For the purposes of the statement of cash flows, the organization considers all unrestricted highly liquid investments with an original maturity of three months or less to be cash equivalents. Fair value approximates carrying amounts.

**D.A.R.T.**  
**(Domestic Abuse Resistance Team)**  
**Notes to Financial Statements**  
**For The Year Ended December 31, 2017**

**I. Investments:**

The organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities.

**Note 2 – Restrictions on Net Assets**

Substantially all of the restrictions on net assets at the end of 2017 are related to funds raised through various campaigns targeting local outreach areas. These areas include Bienville, Union, Claiborne, Jackson, and Grant parishes. Public support in the amount of \$54,766 was restricted at December 31, 2017. These restrictions will expire as the funds are utilized for their intended purposes.

**Note 3 – Funding Policies and Sources of Funds**

D.A.R.T. receives its monies through various methods of funding. The Board of Directors has overseen the procurement of funds through grants, fundraising activities, and donations.

**Note 4 – Investments**

The organization's investments at December 31, 2017 consisted of cash reserve funds, mutual funds, and exchange traded products (ETPs). They are recorded in the financial statements at fair value based on quoted prices in active markets (level 1) of the securities on a recurring basis as summarized below:

	Quoted Prices in Active Markets for Identical Assets (Level 1 Inputs)	Other Observable Inputs (Level 2 Inputs)	Significant Unobservable Inputs (Level 3 Inputs)
Cash Reserves	\$ 37,197	\$ -	\$ -
Mutual Funds	55,164	-	-
ETPs	21,250	-	-
<b>Totals</b>	<b>\$ 113,611</b>	<b>\$ -</b>	<b>\$ -</b>

Investment return at December 31, 2017 is as follows:

Net Realized and Unrealized Gains	\$ 9,669
Dividends	1,135
Interest	76
<b>Total Investment Return</b>	<b>\$ 10,880</b>

**D.A.R.T.**  
**(Domestic Abuse Resistance Team)**  
**Notes to Financial Statements**  
**For The Year Ended December 31, 2017**

**Note 5 – Accounts Receivable**

Accounts receivable at December 31, 2017 consisted of reimbursements for expenses incurred under the following programs:

Crime Victims Assistance	\$	13,576
Emergency Shelter Grant		17,098
Family Violence Prevention		75,536
Violence Against Women Act		5,628
United Way		359
Miscellaneous		31
<b>Total</b>	<b>\$</b>	<b><u>112,228</u></b>

**Note 6 – In-Kind Contributions**

The organization receives various in-kind contributions from time to time. The value of these contributions is reflected in the accompanying financial statements at estimated fair market value. The primary in-kind contributions consisted of furniture, supplies and equipment.

In addition, many individuals volunteer their time and perform a variety of tasks that assist the Agency; but these services do not meet the criteria for recognition as contributed services.

**Note 7 - Fixed Assets**

D.A.R.T. has classified its fixed assets as follows:

		<u>Balance December 31, 2016</u>		<u>Additions</u>		<u>Deletions</u>		<u>Balance December 31, 2017</u>
<b>Fixed Assets:</b>								
Office Furniture & Equipment	\$	55,371	\$	6,661	\$	9,327	\$	52,705
Vehicles		-		32,458		-		32,458
Land		18,650		-		-		18,650
Building & Improvements		117,304		26,654		5,806		138,152
Leasehold Improvements		91,833		-		-		91,833
<b>Total Fixed Assets</b>		<u>283,158</u>		<u>65,773</u>		<u>15,133</u>		<u>333,798</u>
Less: Accumulated Depreciation		<u>94,536</u>		<u>11,615</u>		<u>18,938</u>		<u>101,859</u>
Net Fixed Assets	\$	<u>188,622</u>	\$	<u>77,388</u>	\$	<u>34,071</u>	\$	<u>231,939</u>

**D.A.R.T.**  
**(Domestic Abuse Resistance Team)**  
**Notes to Financial Statements**  
**For The Year Ended December 31, 2017**

Current year depreciation was recorded in the amount of \$18,938.

The agency typically purchases fixed assets with funds provided through various funding agencies and grants. The table below summarizes the sources of fixed assets.

	Balance December 31, 2016	Additions	Deletions	Balance December 31, 2017
E.S.G.P	\$ 23,903	\$ -	\$ -	\$ 23,903
C.V.A	12,568	28,618	-	41,186
FVP	37,310	-	5,912	31,398
L.C.A.D.V. Rural Projects	16,015	-	-	16,015
R.P.A.P – L.C.A.D.V.	2,612	-	-	2,612
Marriage License/Civil Fees	11,240	-	2,701	8,539
TANF	2,378	-	-	2,378
D.A.R.T	177,132	37,155	6,520	207,767
<b>Total Investment in Fixed Assets</b>	<b>\$ 283,158</b>	<b>\$ 65,773</b>	<b>\$ 15,133</b>	<b>\$ 333,798</b>

**Note 8 – Board of Director’s Compensation**

The Board of Director’s is a voluntary board; therefore, no compensation has been paid to any member.

**Note 9 – Judgments, Claims, and Similar Contingencies**

The organization receives revenues from various Federal and State grant programs, which are subject to final review and approval as to allowable expenditures by the respective grantor agencies. Any settlements or expenses arising out of a final review are recognized in the period in which agreed upon by the organization and the Federal or State Agency. Also, it is management’s opinion that any audits by the grantor agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect the organizations financial position.

**Note 10 – Federally Assisted Programs**

D.A.R.T. participates in a number of federally assisted programs. These programs are audited in accordance with the *Government Auditing Standards* issued by the Comptroller General of the United States. Audits of prior years have not resulted in any disallowed costs; however, grantor agencies may provide for further examinations. Based on prior experience, the organizations management believes that further examinations would not result in any significant disallowed costs.

**D.A.R.T.**  
**(Domestic Abuse Resistance Team)**  
**Notes to Financial Statements**  
**For The Year Ended December 31, 2017**

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**Note 11 – Economic Dependency**

D.A.R.T. receives the majority of its revenue from funds provided through grants administered by the Louisiana Department of Children and Family Services. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of the funds the organization receives could be reduced significantly and have an adverse impact on its operations.

**Note 12 – Concentrations of Credit Risk**

The organization maintains deposits in a local financial institution. The carrying amounts of those accounts totaled \$132,099 at December 31, 2017. The corresponding bank balances totaled \$138,214. The balances were covered by federal depository insurance.

**Note 13 - Subsequent Events**

Date of Management Evaluation

Management has evaluated subsequent events through June 25, 2018, the date on which the financial statements were available to be issued.

## **Supplemental Information**



**D.A.R.T.**  
**(Domestic Abuse Resistance Team)**  
**Schedule of Grant Activities**  
**For the Year Ended December 31, 2017**

	<u>V.A.W.A</u>	<u>FVP</u>	<u>C.V.A</u>
<b>Revenues</b>			
Grant Income	\$ 17,422	\$ 394,428	\$ 177,416
<b>Total Grant Income</b>	17,422	394,428	177,416
<b>Expenditures</b>			
Current:			
Salaries	12,479	286,971	105,551
Fringe	3,458	42,930	16,030
Travel	851	1,262	7,900
Operating Expense	-	44,544	922
Supplies	634	12,944	11,955
Client Care	-	-	-
Equipment - Non-capital	-	3,126	6,440
Capital Outlays	-	2,651	28,618
<b>Total Expenditures</b>	17,422	394,428	177,416
<b>Excess of Revenues over Expenditures</b>	-	-	-
<b>Other Financing Sources (Uses)</b>			
Operating Transfers - In	-	-	-
Operating Transfers - Out	-	-	-
<b>Total Other Financing Sources (Uses)</b>	-	-	-
<b>Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses</b>	-	-	-
<b>Fund Balances, Beginning of Year</b>			
<b>Fund Balances, End of Year</b>	\$ -	\$ -	\$ -

<u>E.S.G.</u>	<u>I.O.L.T.A.</u>	<u>United Way</u>	<u>Marriage License</u>	<u>Civil Fees</u>	<u>Total</u>
\$ 40,707	\$ 31,621	\$ 66,901	\$ 8,081	\$ 3,496	\$ 740,072
<u>40,707</u>	<u>31,621</u>	<u>66,901</u>	<u>8,081</u>	<u>3,496</u>	<u>740,072</u>
-	24,838	56,915	-	-	486,754
-	6,783	9,836	162	1,752	80,951
-	-	-	181	123	10,317
15,992	-	-	7,319	812	69,589
5,418	-	150	419	601	32,121
15,297	-	-	-	-	15,297
-	-	-	-	208	9,774
4,000	-	-	-	-	35,269
<u>40,707</u>	<u>31,621</u>	<u>66,901</u>	<u>8,081</u>	<u>3,496</u>	<u>740,072</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditors' report.

**D.A.R.T.**  
**(Domestic Abuse Resistance Team)**  
**Schedule of Compensation, Reimbursements, Benefits,**  
**and Other Payments to Agency Head**  
**For the Year Ended December 31, 2017**

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**Agency Head:**

Executive Director - Cathy Ayo

**Purpose:**

Salary	\$ 69,000
Benefits - Payroll Taxes and Insurance	16,748
Travel	553
Reimbursements	85
<b>Total Compensation, Benefits and Other Payments</b>	<b><u>\$ 86,386</u></b>

See independent auditors' report.

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**INDEPENDENT AUDITORS' 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**

Board of Directors  
D.A.R.T. (Domestic Abuse Resistance Team)  
Ruston, 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 D.A.R.T. (Domestic Abuse Resistance Team), (a nonprofit organization), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 25, 2018.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered D.A.R.T.'s (Domestic Abuse Resistance Team's) internal control over financial reporting (internal control) to determine the 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 D.A.R.T.'s (Domestic Abuse Resistance Team's) internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a 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.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether D.A.R.T.'s (Domestic Abuse Resistance Team's) financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

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

*Cameron, Hines & Company (APAC)*

West Monroe, Louisiana  
June 25, 2018

**D.A.R.T.**  
**(Domestic Abuse Resistance Team)**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2017**

<u>Grant Title</u>	<u>Fund Number</u>	<u>Sub-Grant Award Number</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
<b>United States Department of Housing and Urban Development:</b>				
Community Planning and Development				
HUD Emergency Shelter Grants Program to:				
Louisiana Housing Corporation				
Subgranted to City of Ruston				
<b>Emergency Shelter Grant Program</b>				
07-01-16 to 06-30-17			14.231	\$ 24,231
07-01-17 to 06-30-18			14.231	15,988
<b>Total United States Department of Housing and Urban Development</b>				<b>40,219</b>
<b>United States Department of Justice:</b>				
Bureau of Justice Assistance, subgranted to:				
Louisiana Commission on Law Enforcement and Administration of Criminal Justice				
<b>Domestic Violence Program, Crime Victim Assistance</b>				
01-01-16 to 06-30-2017	CVA	2015-VA-02-2910	16.575	76,200
01-01-16 to 06-30-2017	CVA - Jackson/Union	2015-VA-02-2920	16.575	16,220
01-01-16 to 06-30-2017	CVA-Grant/Winn	2015-VA-02-2853	16.575	19,881
07-01-17 to 12-31-2018	CVA	2016-VA-02-3784	16.575	38,844
07-01-17 to 12-31-2018	CVA - Jackson/Union	2016-VA-02-3787	16.575	11,348
07-01-17 to 12-31-2018	CVA-Grant/Winn	2016-VA-02-3786	16.575	14,521
<b>Violence Against Women Formula Grants</b>				
01-01-17 to 12-31-17	VAWA	2016-WF-03-3609	16.588	17,422
<b>Total Department of Justice</b>				<b>194,436</b>
<b>United States Department of Health and Human Services:</b>				
Pass through Louisiana Department of Children and Family Services				
<b>Family Violence Prevention and Services</b>				
07-01-16 to 06-30-17	FVP-21		93.671	217,040
07-01-17 to 06-30-18	FVP-22		93.671	177,435
<b>Total Department of Health and Human Services</b>				<b>394,475</b>
<b>Total Federal Awards</b>				<b>\$ 629,130</b>

See independent auditors' report.

**D.A.R.T.**  
**(Domestic Abuse Resistance Team)**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**For The Year Ended December 31, 2017**

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Note A – Basis of Presentation

The accompanying schedule of expenditures of federal awards included the federal grant activity of D.A.R.T. (Domestic Abuse Resistance Team) is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the presentation of the basic financial statements. These programs have been clustered to create a major type program for audit purposes.

**D.A.R.T. (Domestic Abuse Resistance Team)  
Schedule of Findings and Responses  
For The Year Ended December 31, 2017**

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We have audited the financial statements of D.A.R.T. (Domestic Abuse Resistance Team) as of and for the year ended December 31, 2017, and have issued our report thereon dated June 25, 2018. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of and for the year ended December 31, 2017, resulted in an unmodified opinion.

**Section I- Summary of Auditors' Reports**

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

Internal Control

Material Weaknesses \_\_\_ yes X no Significant Deficiencies \_\_\_ yes X no

Compliance

Compliance Material to Financial Statements \_\_\_ yes X no

**B. Federal Awards – N/A**

Internal Control

Material Weaknesses \_\_\_yes \_\_\_no Significant Deficiencies \_\_\_yes \_\_\_no

Type of Opinion on Compliance  
For Major Programs

Unmodified \_\_\_ Modified \_\_\_\_\_  
Disclaimer \_\_\_\_\_ Adverse \_\_\_\_\_

Are their findings required to be reported in accordance with Uniform Guidance.

**C. Identification of Major Programs:**

Dollar threshold used to distinguish between Type A and Type B programs was \$300,000.

Is the auditee a “low-risk” auditee, as defined by Uniform Guidance?

**Section II- Financial Statement Findings**

There were no findings for the year ended December 31, 2017.

**Section III-Federal Award Findings and Responses**

This section is not applicable for this entity.



**D.A.R.T.**  
**(Domestic Abuse Resistance Team)**  
**Schedule of Prior Year Findings**  
**For the Year Ended December 31, 2017**

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

There were no prior year findings for the year ended December 31, 2016.

**Management Letter**

No management letter was issued.

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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Domestic Abuse Resistance Team and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Domestic Abuse Resistance Team (DART) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2017 through December 31, 2017. DART's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

### *Written Policies and Procedures*

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1. Obtain and inspect DART's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the DART's operations):<sup>1</sup>
  - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget
  - 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.
  - c) **Disbursements**, including processing, reviewing, and approving
  - 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 (e.g.

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<sup>1</sup> For governmental organization, the practitioner may eliminate those categories and subcategories that do not apply to the organization's operations. For quasi-public organizations, including non-profits, the practitioner may eliminate those categories and subcategories that do not apply to public funds administered by the quasi-public.

periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- 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
- g) **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 (e.g., determining the reasonableness of fuel card purchases)
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
- i) **Ethics<sup>2</sup>**, 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) requirement that all employees, including elected officials, annually attest through signature verification that they have read the DART's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

**Findings:** Sixteen exceptions noted where DART's written policies and procedures did not address each of the above categories and subcategories.

### ***Board or Finance Committee<sup>3</sup>***

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- 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.
  - b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-

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<sup>2</sup> The Louisiana Code of Ethics is generally not applicable to non-profit entities but may be applicable in certain situations, such as councils on aging. If ethics is applicable to a non-profit, the non-profit should have written policies and procedures relating to ethics.

<sup>3</sup> These procedures are not applicable to entities managed by a single elected official, such as sheriff or assessor.

actual comparisons, if budgeted) for major proprietary funds.<sup>4</sup> *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of DART's collections during the fiscal period.*

- c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted 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 unrestricted fund balance in the general fund.

**Findings:** DART is a non-profit organization. This testing is not applicable.

### ***Bank Reconciliations***

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3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify DART's main operating account. Select DART's main operating account and randomly select 4 additional accounts<sup>5</sup> (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:
  - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
  - 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 (e.g., initialed and dated, electronically logged); and
  - 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, if applicable.

**Findings:** One exception noted where bank reconciliations do not include evidence that a board member has reviewed each reconciliation. One exception noted where there was no documentation reflecting that management had researched reconciling items that had been outstanding for more than 12 months from the statement closing date.

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<sup>4</sup> Major funds are defined under GASB standards. The related procedure addresses major funds as a way to verify that boards are provided with financial information necessary to make informed decisions about significant DART operations, including proprietary operations that are not required to be budgeted under the LGBA.

<sup>5</sup> Accounts selected may exclude savings and investment accounts that are not part of the DART's daily business operations.

## **Collections**

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4. Obtain a listing of deposit sites<sup>6</sup> for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

**Findings:** We obtained the listing and management's representation.

5. For each deposit site selected, obtain a listing of collection locations<sup>7</sup> and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
  - a) Employees that are responsible for cash collections do not share cash drawers/registers.
  - 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 (e.g. pre-numbered receipts) to the deposit.
  - 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.
  - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

**Findings:** No exceptions noted.

6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

**Findings:** No exceptions noted.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day)<sup>8</sup>. *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
  - a) Observe that receipts are sequentially pre-numbered.

---

<sup>6</sup> A deposit site is a physical location where a deposit is prepared and reconciled.

<sup>7</sup> A collection location is a physical location where cash is collected. An DART may have one or more collection locations whose collections are brought to a deposit site for deposit.

<sup>8</sup> If "bank reconciliations" have been rotated off for Year 2, the practitioner should insert a procedure with the same selection methodology that would have been used for bank reconciliations.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- c) Trace the deposit slip total to the actual deposit per the bank statement.
- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
- e) Trace the actual deposit per the bank statement to the general ledger.

**Findings:** No exceptions noted.

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

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- 8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

**Findings:** We obtained the listing and management's representation.

- 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 and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
  - a) At least two employees are 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.
  - 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.
  - 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.

**Findings:** One exception noted where the employee responsible for processing payments is not prohibited from adding/modifying vendor files.

- 10. For each location selected under #8 above, obtain DART's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
  - a) Observe that the disbursement matched the related original invoice/billing statement.

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

**Findings:** No exceptions noted.

#### ***Credit Cards/Debit Cards/Fuel Cards/P-Cards***

---

11. 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.

**Findings:** We obtained the listing and management's representation.

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
  - a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]]
  - b) Observe that finance charges and late fees were not assessed on the selected statements.

**Findings:** One exception noted where the monthly statement was not reviewed and approved, in writing, by someone other than the cardholder. One exception noted where there was an overlimit fee assessed on one of the statements selected for testing.

13. 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 (i.e. each card should have 10 transactions subject to testing). 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 (for meal charges only).

**Findings:** No exceptions noted.



### Travel and Travel-Related Expense Reimbursements<sup>9</sup> (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://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 #1h).
  - d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

**Findings:** One exception noted where the documentation for the reimbursement was not in enough detail to document the number of meals to be reimbursed using a per diem.

### Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law<sup>10</sup> (e.g., solicited quotes or bids, advertised), if required by law.
  - b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
  - c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.

<sup>9</sup> Non-travel reimbursements are not required to be tested under this category.

<sup>10</sup> If the DART has adopted the state Procurement Code, replace "Louisiana Public Bid Law" with "Louisiana Procurement Code."



- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

**Findings:** No exceptions noted.

### ***Payroll and Personnel***

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16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

**Findings:** No exceptions noted.

17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
  - a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
  - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
  - c) Observe that any leave accrued or taken during the pay period is reflected in DART's cumulative leave records.

**Findings:** No exceptions noted.

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

**Findings:** No exceptions noted.

19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

**Findings:** We obtained management's representation.

### *Ethics<sup>11</sup>*

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20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above<sup>12</sup>, obtain ethics documentation from management, and:
- a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
  - b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read DART's ethics policy during the fiscal period.

**Findings:** DART is a non-profit organization and exempt from the Louisiana Code of Ethics. This testing is not applicable.

### *Debt Service<sup>13</sup>*

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21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.

**Findings:** DART did not issue any bonds/notes during the fiscal period. This testing is not applicable.

22. 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.

**Findings:** DART does not have any outstanding debt. This testing is not applicable.

### *Other*

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23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that DART reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the DART is domiciled.

**Findings:** DART did not have any misappropriations of public funds and assets during the fiscal period. This testing is not applicable.

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<sup>11</sup> The Louisiana Code of Ethics is generally not applicable to non-profit entities but may be applicable in certain situations, such as councils on aging. If ethics is applicable to a non-profit, the procedures should be performed.

<sup>12</sup> If "payroll and personnel" have been rotated off for Year 2, the practitioner should insert a procedure with the same selection methodology that would have been used for payroll and personnel.

<sup>13</sup> This AUP category is generally not applicable to non-profit entities; however, if applicable, the procedures should be performed.

24. Observe that the DART has posted on its premises<sup>14</sup> and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.<sup>15</sup>

**Findings:** One exception noted where DART did not have posted on its premises or website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds

### *Management's Response*

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We concur with the results of the procedures and are working diligently to improve controls.

We were not engaged to and did not conduct an examination or review, 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.

The purpose of this report is 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.

*Cameron Hines & Company (APAC)*

West Monroe, Louisiana  
June 26, 2018

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<sup>14</sup> Observation may be limited to those premises that are visited during the performance of other procedures under the AUPs.

<sup>15</sup> This notice is available for download or print at [www.la.la.gov/hotline](http://www.la.la.gov/hotline).