



Report Highlights

Bayou D'Arbonne Lake Watershed District

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CPA, CFE

Audit Control # 80170177
Financial Audit Services • May 2018

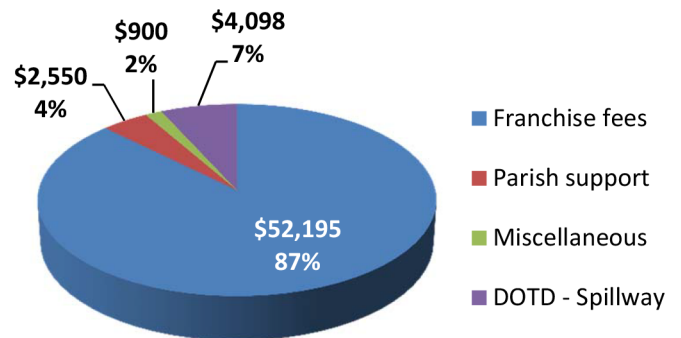
Why We Conducted This Work

We conducted procedures at the Bayou D'Arbonne Lake Watershed District (District) to evaluate certain controls that the District uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and overall accountability over public funds for the fiscal year ended December 31, 2017.

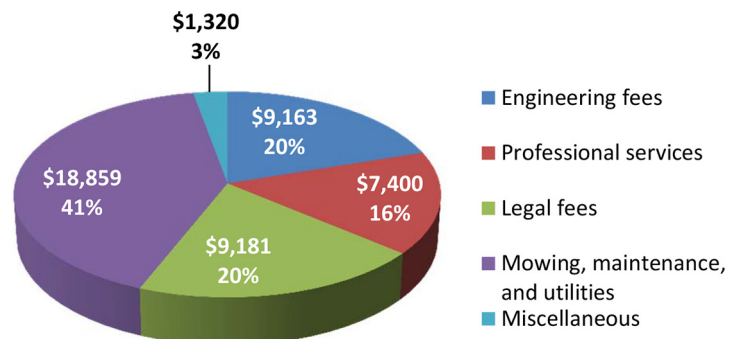
What We Found

- The District did not have adequate controls over cash, increasing the risk that errors or fraud could occur and remain undetected. Our procedures revealed:
 - A check disbursement was processed and cleared the bank for \$4,500 written to the District's lawyer without having any signatures. Also, a check for \$2,300 written to a contractor cleared the bank having only one commissioner's signature. The District's informal policy is that all checks over \$1,000 should be signed by at least two designated commissioners.
 - The District did not deposit parish support totaling \$600 received in the mail until up to three months after receipt.
 - The District did not account for parish support, totaling \$450, as the District had no procedures to ensure it received all the parish support expected.
- For the second consecutive year, 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.
- For the second consecutive year, the District made payments for bookkeeping and board minute transcription services, in addition to financial statement compilation, mowing, channel marker, and pier maintenance services without obtaining written contracts for these services.
- Management resolved the prior-year finding related to required ethics training not completed.
- We evaluated the controls and transactions relating to cash, franchise fees, parish support, contracts, other nonpayroll expenditures, budget, and other compliance areas. Except as noted above, we found those controls provided reasonable assurance of accountability over public funds and compliance with applicable laws and regulations for the period examined.

**Fiscal Year 2017 Revenues,
as of December 31, 2017
Total: \$59,743**



**Fiscal Year 2017 Expenditures,
as of December 31, 2017
Total: \$45,923**



Source: District's general ledger and other system-generated reports