

**LOUISIANA ASSISTIVE TECHNOLOGY
ACCESS NETWORK**

BATON ROUGE, LOUISIANA

SEPTEMBER 30, 2019

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Louisiana Assistive Technology Access Network

Report on the Financial Statements

We have audited the accompanying financial statements of Louisiana Assistive Technology Access Network (a nonprofit organization), which comprise the statement of financial position as of September 30, 2019, 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.

Auditor's 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 Louisiana Assistive Technology Access Network as of September 30, 2019, and the changes in their net assets and their 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 accompanying supplemental information schedule of compensation, benefits, and other payments to an agency head on page 16 is presented for purposes of additional analysis and is 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 supplemental 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 December 10, 2019, on our consideration of Louisiana Assistive Technology Access Network's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 Louisiana Assistive Technology Access Network's internal control over financial reporting and compliance.

R.A. Champagne + Co. L.L.P.

*December 10, 2019
Baton Rouge, Louisiana*

LOUISIANA ASSISTIVE TECHNOLOGY ACCESS NETWORK
STATEMENT OF FINANCIAL POSITION

September 30, 2019

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 1,180,991
Accounts receivable	58,018
Interest receivable	1,606
Prepaid expenses	4,697
Total current assets	<u>1,245,312</u>

RESTRICTED CASH

192,672

PROPERTY AND EQUIPMENT (NET)

335,257

Total assets

\$ 1,773,241

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 224
Accrued liabilities	25,158
Deferred income	356,046
Total current liabilities	<u>381,428</u>

NET ASSETS

Without donor restrictions	645,762
With donor restrictions	746,051
	<u>1,391,813</u>

Total liabilities and net assets

\$ 1,773,241

See accompanying notes to financial statements

LOUISIANA ASSISTIVE TECHNOLOGY ACCESS NETWORK
STATEMENT OF ACTIVITIES
Year Ended September 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND OTHER SUPPORT			
Federal grants	\$ 730,596	\$ -	\$ 730,596
Other grants	12,445	-	12,445
Program service fees	14,453	-	14,453
Contributions	154	-	154
Interest and other income	17,395	-	17,395
	775,043	-	775,043
Net assets released from restrictions:			
Satisfaction of time and purpose restrictions	307,637	(307,637)	-
	1,082,680	(307,637)	775,043
EXPENSES			
Program expenses	735,779	-	735,779
Management and general expenses	145,905	-	145,905
Fundraising expenses	-	-	-
	881,684	-	881,684
Change in net assets	200,996	(307,637)	(106,641)
Net assets - beginning of year	444,766	1,053,688	1,498,454
Net assets - end of year	\$ 645,762	\$ 746,051	\$ 1,391,813

See accompanying notes to financial statements

LOUISIANA ASSISTIVE TECHNOLOGY ACCESS NETWORK
STATEMENT OF CASH FLOWS

September 30, 2019

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ (106,641)
Adjustments to reconcile change in net assets to net cash used by operating activities:	
Depreciation	52,510
(Increase) decrease in assets:	
Accounts receivable	135,502
Interest receivable	(1,606)
Prepaid expenses	7,413
Increase (decrease) in liabilities:	
Accounts payable	(20,619)
Accrued liabilities	3,790
Deferred income	(191,986)
Net cash used by operating activities	<u>(121,637)</u>
 CASH FLOWS FROM INVESTING ACTIVITIES	
Equipment and furnishings acquired	(255,094)
 NET DECREASE IN CASH AND CASH EQUIVALENTS	
	(376,731)
 Cash, cash equivalents, and restricted cash - beginning of year	 <u>1,750,394</u>
Cash, cash equivalents, and restricted cash - end of year	<u><u>\$ 1,373,663</u></u>
Cash and cash equivalents	\$ 1,180,991
Cash restricted for loan guarantees	<u>192,672</u>
Cash, cash equivalents, and restricted cash shown above	<u><u>\$ 1,373,663</u></u>

See accompanying notes to financial statements

LOUISIANA ASSISTIVE TECHNOLOGY ACCESS NETWORK
STATEMENT OF FUNCTIONAL EXPENSES

Year Ended September 30, 2019

	Program Services	Management & General	Fundraising	Total
Salaries	\$ 415,111	\$ 40,683	\$ -	\$ 455,794
Payroll taxes and benefits	60,842	7,320	-	68,162
Contracts/consultants	30,437	8,380	-	38,817
Travel	14,497	4,222	-	18,719
Equipment and supplies	57,383	6,791	-	64,174
Operating				
Insurance	2,874	22,090	-	24,964
Occupancy fees	52,284	44,929	-	97,213
Postage	1,725	129	-	1,854
Property maintenance	8,264	810	-	9,074
Telecommunications	10,665	4,885	-	15,550
Depreciation	52,510	-	-	52,510
Other	29,187	5,666	-	34,853
Total expenses	<u>\$ 735,779</u>	<u>\$ 145,905</u>	<u>\$ -</u>	<u>\$ 881,684</u>

See accompanying notes to financial statements

LOUISIANA ASSISTIVE TECHNOLOGY ACCESS NETWORK

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of activities

Louisiana Assistive Technology Access Network (LATAN) is a Louisiana non-profit corporation which was organized November 9, 1994. LATAN is a consumer-directed, consumer-responsive organization whose mission is to assist individuals with disabilities to achieve an enhanced quality of life and greater independence through access to assistive technology. LATAN serves (1) individuals with disabilities or functional limitations and wounded warriors, as well as their families and care-givers; (2) service providers; (3) educators; (4) vocational rehabilitation specialists; (5) employers; and other stake holders. LATAN also provides education and information to Louisiana's residents regarding the availability and benefits of, and access to technology that can assist people with disabilities or functional limitations.

Program services provided by LATAN include assistive technology device demonstrations, device loans, financial loans, device recycling exchange, emergency equipment distribution, information and assistance, technical assistance and training for individuals and service providers. Other programs include public awareness and systems change advocacy.

LATAN provides assistance for eliminating barriers that prevent citizens in Louisiana from acquiring assistive technology through the active involvement of consumers of assistive technology and collaboration with other agencies and organizations. Development of these relationships is vital to improving the service delivery systems and avoiding duplication of services.

LATAN receives the majority of its funding from a grant provided by the Assistive Technology Act of 2004, administered by the United States Department of Health & Human Services and the State of Louisiana Department of Health & Hospitals. The amount of this funding may vary depending on funding provided by the respective governmental authorities. Contributions and grants are also received from individual donors and other organizations.

Basis of accounting

The Organization prepares its financial statements on the accrual basis of accounting. Under this method of accounting, revenue is recognized when earned or billed, and expenses are recognized when goods or services are received and the obligation for payment is incurred.

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Contributions and grants

Contributions received, grants, and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The Organization reports cash gifts, grants and contributions of other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets or grants, or if they are designated as support for future periods.

When donor restrictions expire, that is, when the stipulated time restriction ends or the purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as support without donor restrictions.

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government grants, which are considered exchange transactions, are recognized as revenue when allowable costs are incurred to provide the services specified under the terms of the grant agreement. Advances under grants are recorded as deferred income until such time as they can be recognized as revenue.

Donated personal services

The value of donated personal services provided has not been recorded in the accompanying financial statements. The Organization generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization in the performance of its programs.

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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash flow statement

For the purposes of the statement of cash flows, the organization considers all highly liquid debt instruments purchased with an original maturity of three months or less and any certificates of deposits that do not contain material early withdrawal penalties to be cash equivalents.

Accounts receivable

Accounts receivable are reported at net realizable value consisting of the carrying amount less an allowance for doubtful accounts. The allowance for doubtful accounts is based on historical experience and an evaluation of the outstanding receivables at the end of the year. Accounts receivable are written off when deemed uncollectible by management. Bad debt recoveries are included in income as realized. LATAN considered all accounts receivable at September 30, 2019 to be fully collectible and, therefore, no allowance for doubtful accounts was recorded.

Prepaid expenses

Insurance and similar services which extend benefits over more than one accounting period have been recorded as prepaid.

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and equipment

Acquisitions of property and equipment are capitalized and are stated at cost less accumulated depreciation with depreciation being calculated on the straight-line basis over the estimated useful life of the assets as follows:

Buildings	20-40 yrs
Equipment	5 -10 yrs
Furniture	7 yrs

When property is retired or otherwise disposed of, the accounts are relieved of the applicable cost and accumulated depreciation, and any resulting gain or loss is reflected in operations.

Income tax status

The Organization is exempt from Federal Income Taxes under Section 501(c)(3) of the Internal Revenue Code and has been designated as an organization which is not a private foundation under IRC 170(b)(1)(A)(vi). Accordingly, no provision for income taxes has been included in the financial statements.

The Organization accounts for income taxes in accordance with the income tax accounting guidance included in the FASB ASC. Under this guidance, the Organization may recognize the tax effects from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by tax authorities. The Organization has evaluated its tax positions regarding the accounting for uncertain income tax positions and does not believe that it has any material uncertain tax positions.

The Organization files a United States return of organization exempt from income tax. The Organization is also subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress.

Functional allocation of expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs are charged specifically to a program or function and the remaining costs are allocated among programs, management, and fundraising based upon estimates of staff time devoted to these functions or other appropriate allocation bases.

Change in Accounting Principles

On August 18, 2016, FASB issued Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958)—Presentation of Financial Statements of Not-for-Profit Entities*. The ASU addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

lack of consistency in the type of information provided about expenses and investment return. The Organization has implemented ASU 2016-14 and has adjusted the presentation in these financial statements accordingly. The ASU has been applied retrospectively to all periods presented which had no impact to total net assets.

On November 17, 2016, FASB issued Accounting Standards Update (ASU) 2016-18, *Statement of Cash Flows (Topic 230) Restricted Cash*. The amendments in this update require that a statement of cash flows explain the change during the year in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash and restricted cash equivalents. The Organization has implemented ASU 2016-18 and has adjusted the presentation in these financial statements accordingly.

B: ECONOMIC DEPENDENCY

For the year ended September 30, 2019, LATAN received approximately 68% of its revenue from funds provided by the Assistive Technology Act through the U.S. Department of Health & Human Services' Administration on Community Living. The funds received are appropriated each year by the federal government. Other sources of revenue received include contracts, donations, and program fees. If significant budget cuts are made at the federal or state level, the amount of funds received by LATAN could be reduced by an amount that could adversely impact its operations. Management is not aware of any actions that have been taken or are proposed to be taken by the federal government that will adversely impact LATAN's grant for the fiscal year ending September 30, 2020.

C: CONCENTRATION OF CREDIT RISK

At various times during the year, cash and cash equivalents on deposit with one banking institution exceeded the amount insured by the FDIC. Management monitors the financial condition of the institution on a regular basis, along with their balances in cash and cash equivalents, to minimize this potential risk. At September 30, 2019, funds for the Alternative Financing Program were fully collateralized by securities held in a joint custodial account in LATAN's name.

D: PROPERTY AND EQUIPMENT

The following is a summary of property and equipment at cost, less accumulated depreciation at September 30, 2019:

Assistive devices	\$ 637,017
Building	194,349
Building improvements	33,950
Computer equipment	124,120
Furniture and fixtures	46,743
Telephone equipment	7,866
	<hr/>
	1,044,045
Accumulated depreciation	(708,788)
	<hr/>
	\$ 335,257

Depreciation expense for September 30, 2019 was \$52,510.

E: RESTRICTIONS OF NET ASSETS

Net assets with donor restrictions at September 30, 2019, consist of alternative financing program funding in the amount of \$746,051. This funding was previously recorded as contributions with donor restrictions. Amounts are released from restriction as cost are charged to the program.

F: COMPENSATED ABSENCES

Employees are allowed to carry over up to eighty hours of annual leave to the following year, unless approval is given to carry over more hours. Payments for unused annual leave is made upon an employee's termination.

The liability for accumulated unpaid annual leave is determined by using the number of vested vacation hours for each employee multiplied by the employee's wage rate at the end of the year.

The liability for accumulated unpaid annual leave totaling \$12,522 as of September 30, 2019, is included in the accrued liabilities on the statement of financial position.

G: RESTRICTED CASH

LATAN is required to have on deposit with Regions Bank, as surety for the alternative financing program loans an amount equal to thirty-five (35%) of the principal loan balance and overdue interest as calculated at the end of each month, plus \$75,000. As of September 30, 2019, LATAN had \$192,672 on deposit at Regions Bank for this purpose.

H: LEASE COMMITMENT

LATAN leases its office facilities under operating leases expiring in various years through September 30, 2021. Rental expenses under these leases were \$78,228 for the year end September 30, 2019. The following is a schedule of the future minimum lease payments for the years ending September 30:

2020	\$ 47,207
2021	38,527

I: PENSION PLAN

LATAN has a retirement savings 401(k) plan in which substantially all employees may participate. During the year ended September 30, 2019, LATAN made no contributions to the plan.

J: BOARD OF DIRECTORS COMPENSATION

The Board of Directors is a voluntary board; therefore, no compensation or per diem has been paid to any Director.

K: CONTINGENCIES

LATAN participates in a federal grant program, which is governed by various rules and regulations. Cost charged to the grant program are subject to audit and adjustment by the grantor agency; therefore, to the extent that LATAN has not complied with the rules and regulations governing the grant, refunds of any money received and the collectability of any related receivable at year end may be impaired. In management's opinion, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the grant; therefore, no provision has been recorded in the accompanying financial statements for such contingencies. Audits of prior years have not resulted in any significant disallowed costs or refunds. Any costs that would be disallowed would be recognized in the period agreed upon by the grantor agency and LATAN.

L: FEDERAL FINANCIAL ASSISTANCE

LATAN was awarded an Assistive Technology Grant from the Administration on Community Living, U.S. Department of Health and Human Services. LATAN has also participated in the Alternative Financing Program through the U.S. Department of Education's National Institute on Disability and Rehabilitation since 2002. The grants are explained as follows:

Assistive Technology Grant

The Assistive Technology Grant provides funding for assistive technology services for Louisiana residents with disabilities. The grant is a cost reimbursement type grant, which means that revenue is recognized when allowable cost are incurred.

Alternative Financing Program

In August of 2002, LATAN received a \$1,500,000 federal grant and a \$500,000 state grant to administer an Alternative Financing Program under Title III of the Assistive Technology Act of 1988. The Alternative Financing Program's purpose is to provide loans to individuals with disabilities, regardless of age or annual income, so that they can acquire assistive technology to improve their quality of life. LATAN partnered with Regions Bank to facilitate the loan process. Regions Bank agreed to offer the loans at below-market interest rates with extended repayment periods. In cases where Regions Bank cannot loan the applicant money because its loan criteria are not met, LATAN will reevaluate the denied application, and, if the circumstances warrant, LATAN will approve the loan. In the event the borrower defaults, LATAN uses grant proceeds to guarantee the repayment of the loan to Regions Bank. During the year ended September 30, 2019, six new guaranteed loans were made totaling \$120,862. At September 30, 2019, the principal balance of guaranteed loans totaled \$336,208. There were no non-guaranteed loans made during the year ended September 30, 2019.

M: NON-CASH INVESTING AND FINANCING ACTIVITIES

There were no non-cash investing and financing activities in September 30, 2019.

N: SUBSEQUENT EVENTS

Subsequent events were evaluated through December 10, 2019, which is the date the financial statements were available to be issued.

O: LIQUIDITY

The following reflects LATAN's financial assets as of September 30, 2019, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date.

Cash and cash equivalents	\$ 1,180,991
Accounts receivable	58,018
Interest receivable	1,606
Donor imposed restrictions	<u>(1,102,097)</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 138,518</u>

As part of the Organization's liquidity management, it invests cash in excess of daily requirements in short-term investments.

SUPPLEMENTAL INFORMATION

**LOUISIANA ASSISTIVE TECHNOLOGY ACCESS NETWORK
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
TO AN AGENCY HEAD**

September 30, 2019

Agency Head Name: Yakima Black
President/CEO

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 97,500
Benefits - insurance	4,396
Benefits - other	7,289
Reimbursements	40
Travel	1,207
Registration fees	150
Conference travel	3,086
Continuing professional education fees	500

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INDEPENDENT AUDITOR'S 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*

The Board of Directors
Louisiana Assistive Technology Access Network

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 Louisiana Assistive Technology Access Network (a nonprofit organization), which comprise the statement of financial position as of September 30, 2019, 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 December 10, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Louisiana Assistive Technology Access Network'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 consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Louisiana Assistive Technology Access Network'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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of Louisiana Assistive Technology Access Network's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or 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 Louisiana Assistive Technology Access Network's financial statements are free of 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 instance of noncompliance or other matter 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 Louisiana Assistive Technology Access Network's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Louisiana Assistive Technology Access Network's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

L.A. Champagne & Co. L.L.P.,

December 10, 2019

Baton Rouge, Louisiana

LOUISIANA ASSISTIVE TECHNOLOGY ACCESS NETWORK
SUMMARY OF AUDIT RESULTS AND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended September 30, 2019

A: SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the financial statements of Louisiana Assistive Technology Access Network.
2. No significant deficiency or material weaknesses in internal controls, relating to the audit of the financial statements are included in the "Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Governmental Auditing Standards*."
3. No instance of noncompliance material to the financial statements of Louisiana Assistive Technology Access Network was disclosed during the audit.
4. A management letter was not issued.

B: FINDINGS - FINANCIAL STATEMENTS AUDIT

None

LOUISIANA ASSISTIVE TECHNOLOGY ACCESS NETWORK
SCHEDULE OF CORRECTIVE ACTION TAKEN
ON PRIOR YEAR FINDINGS
Year Ended September 30, 2019

None noted

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**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Directors of Louisiana Assistive Technology Access Network and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by Louisiana Assistive Technology Access Network (Entity) 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 October 1, 2018 through September 30, 2019. The Entity'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:

Collections (excluding EFTs)

1. Obtain a listing of deposit sites 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).

Management provided a listing of deposit sites and representation that the listing is complete.

2. For each deposit site selected, obtain a listing of collection locations 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:

Management provided a listing of collection locations and representation that the listing is complete.

- a) Employees that are responsible for cash collections do not share cash drawers/registers.

No exception noted.

- 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.

No exception noted.

- 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.

No exception noted.

- 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.

No exception noted.

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

Employees who have access to cash are covered by an insurance policy for theft.

4. 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). *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:

Randomly selected two deposit dates for each bank account selected.

- a) Observe that receipts are sequentially pre-numbered.

Entity does not use sequentially pre-number receipts.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

No exceptions noted.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

No exceptions noted.

- 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).

No exceptions noted.

- e) Trace the actual deposit per the bank statement to the general ledger.

No exceptions noted.

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.

L.A. Champagne & Co. L.L.P.

December 10, 2019
Baton Rouge, Louisiana