

**Louisiana Assistive Technology  
Access Network  
Baton Rouge, Louisiana  
September 30, 2018**

## Table of Contents

Independent Auditor's Report	Page	3
Financial Statements		
Statement of Financial Position	Page	5
Statement of Activities	Page	6
Statement of Functional Expenses	Page	7
Statement of Cash Flows	Page	8
Notes to Financial Statements	Page	9
Supplementary Information		
Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer	Page	15
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 <i>Government Auditing Standards</i>	Page	16
Schedule of Findings and Responses	Page	18
Schedule of Prior Year Findings and Responses	Page	19



**HAWTHORN  
WAYMOUTH  
& CARROLL, L.L.P.**  
Certified Public Accountants

Louis C. McKnight, III, CPA  
Charles R. Pevey, Jr., CPA  
David J. Broussard, CPA  
Neal D. King, CPA  
Brittany B. Thames, CPA  
Kevin M. Rodriguez, CPA  
Blaine M. Crochet, CPA

## **Independent Auditor's Report**

Board of Directors  
Louisiana Assistive Technology Access Network  
Baton Rouge, Louisiana

### **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, 2018, 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 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 Louisiana Assistive Technology Access Network as of September 30, 2018, 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 accompanying schedule of compensation, benefits and other payments to agency head or chief executive officer 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 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 February 11, 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 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 the effectiveness of Louisiana Assistive Technology Access Network's 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.



February 11, 2019

**Louisiana Assistive Technology Access Network  
Statement of Financial Position  
September 30, 2018**

**Assets**

<b>Current Assets</b>	
Cash and cash equivalents	\$ 1,542,454
Accounts receivable	193,520
Prepaid expenses	12,110
	1,748,084
Total current assets	1,748,084
<b>Restricted Cash</b>	207,940
<b>Property and Equipment, net</b>	132,673
	132,673
Total assets	\$ 2,088,697
	2,088,697

**Liabilities and Net Assets**

<b>Current Liabilities</b>	
Accounts payable	\$ 20,843
Accrued liabilities	21,368
Deferred income	548,032
	590,243
Total current liabilities	590,243
<b>Net Assets</b>	
Unrestricted	444,766
Temporarily restricted	1,053,688
	1,498,454
Total net assets	1,498,454
Total liabilities and net assets	\$ 2,088,697
	2,088,697

The accompanying notes are an integral part of these financial statements.

**Louisiana Assistive Technology Access Network  
Statement of Activities  
Year Ended September 30, 2018**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Revenue and Other Support</b>			
Federal grants	\$ 578,136	\$ -	\$ 578,136
State contracts	430,866	-	430,866
Other grants	110,280	-	110,280
Program service fees	8,040	-	8,040
Contributions	10,805	-	10,805
Interest and other income	12,112	27,247	39,359
Net assets released from restrictions in satisfaction of purpose restrictions	542	(542)	-
Total revenue and other support	<u>1,150,781</u>	<u>26,705</u>	<u>1,177,486</u>
<b>Expenses</b>			
Program	922,870	-	922,870
General and administrative	166,528	-	166,528
Fundraising	7,890	-	7,890
Total expenses	<u>1,097,288</u>	<u>-</u>	<u>1,097,288</u>
<b>Change in Net Assets</b>	53,493	26,705	80,198
<b>Net Assets, beginning of year</b>	<u>391,273</u>	<u>1,026,983</u>	<u>1,418,256</u>
<b>Net Assets, end of year</b>	<u><u>\$ 444,766</u></u>	<u><u>\$ 1,053,688</u></u>	<u><u>\$ 1,498,454</u></u>

The accompanying notes are an integral part of these financial statements.

**Louisiana Assistive Technology Access Network  
Statement of Functional Expenses  
Year Ended September 30, 2018**

	<b>Program</b>	<b>General &amp; Admin- istrative</b>	<b>Fund- raising</b>	<b>Total</b>
Salaries	\$ 444,871	\$ 54,064	\$ -	\$ 498,935
Payroll taxes and benefits	67,513	8,197	-	75,710
Contracts/Consultants	64,846	9,338	6,515	80,699
Travel	34,373	4,003	-	38,376
Equipment and supplies	200,502	5,740	1,375	207,617
Operating				
Insurance	-	16,235	-	16,235
Occupancy fees	43,410	41,671	-	85,081
Postage	1,565	505	-	2,070
Property maintenance	2,828	4,595	-	7,423
Telecommunications	5,090	8,517	-	13,607
Depreciation	51,852	-	-	51,852
Other	6,020	13,663	-	19,683
<b>Total functional expenses</b>	<b>\$ 922,870</b>	<b>\$ 166,528</b>	<b>\$ 7,890</b>	<b>\$ 1,097,288</b>

The accompanying notes are an integral part of these financial statements.

**Louisiana Assistive Technology Access Network  
Statement of Cash Flows  
Year Ended September 30, 2018**

<b>Cash Flows from Operating Activities</b>	
Change in net assets	\$ 80,198
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation	51,852
(Increase) Decrease in assets:	
Accounts receivable	(65,421)
Prepaid expenses	1,660
Restricted cash	6,377
Increase (Decrease) in liabilities:	
Deferred income	437,752
Accounts payable	(1,709)
Accrued liabilities	(41,911)
	468,798
<b>Cash Flows from Investing Activities</b>	
Purchase of property and equipment	(48,307)
	(48,307)
<b>Net Increase in Cash and Cash Equivalents</b>	420,491
<b>Cash and Cash Equivalents, beginning of year</b>	1,121,963
<b>Cash and Cash Equivalents, end of year</b>	\$ 1,542,454

The accompanying notes are an integral part of these financial statements.

**Louisiana Assistive Technology Access Network**  
**Notes to Financial Statements**  
**September 30, 2018**

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

**A. Nature of Organization**

Louisiana Assistive Technology Access Network (LATAN) is a nonprofit 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 stakeholders. 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.

**B. Basis of Accounting and Presentation**

The financial statements have been prepared on the accrual basis of accounting and, accordingly, reflect receivables, payables, and other liabilities. Revenues are recorded as they are earned and expenses are recorded as they are incurred.

Financial statement presentation follows the recommendations of FASB ASC 958, *Not-for-Profit Entities*. In applying the provisions of FASB ASC 958, LATAN is not considered to be a health and welfare organization. Under FASB ASC 958, LATAN is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Temporarily restricted net assets are those whose use by LATAN has been limited by donors to a specific time, period, or purpose. Permanently restricted net assets have been restricted by donors to be maintained by LATAN in perpetuity. LATAN had no permanently restricted net assets as of September 30, 2018.

Designations are voluntary board-approved segregations of unrestricted net assets for specific purposes, projects, or investments. Designations may be reversed by the board of directors at any time. There were no designated funds as of September 30, 2018.

**Louisiana Assistive Technology Access Network**  
**Notes to Financial Statements**  
**September 30, 2018**

**Note 1-Summary of Significant Accounting Policies (Continued)**

**B. Basis of Accounting and Presentation (Continued)**

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends, or when the purpose of the 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. Donor restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying financial statements.

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.

**C. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles 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. Significant estimates made by management which might affect these financial statements include, but are not limited to, the allocations of operating expenses between program activities and the management and general function.

**D. Cash and Cash Equivalents**

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

**E. 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, 2018 to be fully collectible and, therefore, no allowance for doubtful accounts was recorded.

**F. Property and Equipment**

Property and equipment are recorded at cost, while repairs and maintenance are expensed when incurred. Donations of property and equipment are recorded at fair market value at the date of donation. Depreciation is recorded using the straight-line method over the estimated useful lives of the respective assets, which range from 3 to 10 years.

**Louisiana Assistive Technology Access Network**  
**Notes to Financial Statements**  
**September 30, 2018**

**Note 1-Summary of Significant Accounting Policies (Continued)**

**G. Compensated Absences**

Employees are allowed to carry over up to eighty (80) hours of annual leave to the following year, unless approval is given to carry over more hours. Payment 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 \$12,627 as of September 30, 2018, is included in accrued liabilities on the statement of financial position.

**H. Income Taxes**

LATAN is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has been classified as an entity other than a private foundation within the meaning of Section 509(a). Accordingly, no provision has been made for income taxes.

Management has determined that there are no uncertain tax positions that would require recognition in the financial statements. If LATAN were to incur an income tax liability in the future, interest on any income tax liability would be reported as interest expense and penalties on any income tax would be reported as income taxes. Management's conclusions regarding uncertain tax positions may be subject to review and adjustment at a later date based on ongoing analyses of tax laws, regulations, and interpretations thereof as well as other factors.

**I. New Accounting Pronouncements**

The Financial Accounting Standards Board (the FASB) issued ASU 2016-02, *Leases (Topic 842)*, to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. The amendments will require a lessee to recognize a right-of-use asset and a lease liability on the balance sheet for leases with terms longer than 12 months. Leases will be classified as either financing or operating, with classification affecting the pattern of expense recognition in the income statement. The amendments of ASU 2016-02 are effective for entities other than public business entities for fiscal years beginning after December 15, 2019. At this time, LATAN has not determined the impact the adoption of ASU 2016-02 will have on its financial statements.

**Note 2-Restricted Cash**

LATAN is required to have on deposit with Regions Bank, as a surety for the alternative financing program loans discussed in Note 3, an amount equal to thirty-five percent (35%) of the principal loan balance and overdue interest as calculated at the end of each month, plus \$75,000. As of September 30, 2018, LATAN had \$207,940 on deposit at Regions Bank for this purpose.

**Note 3-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.

**Louisiana Assistive Technology Access Network  
Notes to Financial Statements  
September 30, 2018**

**Note 3-Federal Financial Assistance (Continued)**

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 costs 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 is 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, 2018, three new guaranteed loans were made totaling \$94,485. At September 30, 2018, the principal balance of guaranteed loans totaled \$379,828. There were no non-guaranteed loans made during the year ended September 30, 2018.

The grant is considered to be a temporarily restricted contribution. Accordingly, restrictions are released when direct and indirect costs are incurred to operate the program. The term of the grant also limits the amount of indirect costs that may be charged to the grant in a fiscal year.

**Note 4-Restrictions on Net Assets**

At September 30, 2018, temporarily restricted net assets were available for the following use:

Alternative Financing Program	<u>\$1,053,688</u>
-------------------------------	--------------------

**Note 5-Lease Commitment**

LATAN leases its office facilities under operating leases expiring in various years through September 30, 2021. Rental expenses under these leases were \$75,039 for the year ended September 30, 2018. The following is a schedule of the future minimum lease payments for the years ending September 30:

2019	\$ 76,338
2020	76,338
2021	62,505

**Note 6-Pension Plan**

LATAN has a retirement savings 403(b) plan in which substantially all employees may participate. During the year ended September 30, 2018, LATAN made contributions to the plan in the amount of \$23,724.

**Louisiana Assistive Technology Access Network**  
**Notes to Financial Statements**  
**September 30, 2018**

**Note 7-Concentrations 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, 2018, funds for the Alternative Financing Program were fully collateralized by securities held in a joint custodial account in LATAN's name.

**Note 8-Contingencies**

LATAN participates in a federal grant program, which is governed by various rules and regulations. Costs 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 collectibility 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.

**Note 9-Economic Dependency**

For the year ended September 30, 2018, LATAN received approximately 50% 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, 2019.

**Note 10-Board of Directors Compensation**

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

**Note 11-Subsequent Events**

LATAN evaluated all subsequent events through February 11, 2019, the date the financial statements were available to be issued. As a result, management noted no subsequent events that required adjustment to, or disclosure in, these financial statements.

**Supplementary Information**

**Louisiana Assistive Technology Access Network  
Schedule of Compensation, Benefits and Other  
Payments to Agency Head or Chief Executive Officer  
Year Ended September 30, 2018**

**Agency Head Name: Yakima Black, President/CEO**

<b>Purpose</b>	<b>Amount</b>
Salary	\$97,131
Benefits - insurance	4,091
Benefits - cell phone	0
Benefits - retirement	4,673
Car allowance	0
Vehicle provided by agency	0
Per diem	0
Reimbursements	0
Travel	2,128
Registration fees	2,935
Conference travel	4,817
Continuing professional education fees	0
Housing	0
Unvouchered expenses	0
Special meals	0



**HAWTHORN  
WAYMOUTH  
& CARROLL, L.L.P.**  
Certified Public Accountants

Louis C. McKnight, III, CPA  
Charles R. Pevey, Jr., CPA  
David J. Broussard, CPA  
Neal D. King, CPA  
Brittany B. Thames, CPA  
Kevin M. Rodriguez, CPA  
Blaine M. Crochet, CPA

**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***

Board of Directors  
Louisiana Assistive Technology Access Network  
Baton Rouge, 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 Louisiana Assistive Technology Access Network (a nonprofit organization), which comprise the statement of financial position as of September 30, 2018, 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 February 11, 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 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 LATAN'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.

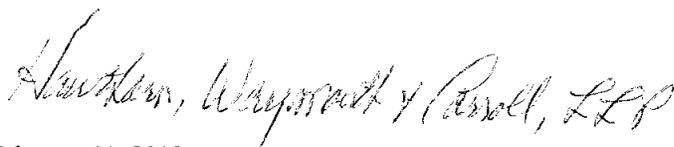
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not 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 Louisiana Assistive Technology Access Network'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Hawthorn, Waymouth & Carroll, LLP".

February 11, 2019

**Louisiana Assistive Technology Access Network  
Schedule of Findings and Responses  
September 30, 2018**

Part I. Summary of Audit Results

- 1) An unmodified opinion has been expressed on the financial statements of Louisiana Assistive Technology Access Network, as of and for the year ended September 30, 2018, and the related notes to the financial statements.
- 2) No deficiencies in internal control over financial reporting that we consider to be material weaknesses were identified.
- 3) No instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* were identified.
- 4) A single audit in accordance with *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* was not required.
- 5) A management letter was not issued.

Part II. Findings Related to an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

- 1) No findings were noted.

**Louisiana Assistive Technology Access Network  
Schedule of Prior Year Findings and Responses  
September 30, 2018**

Part I. Findings Related to an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

- 1) No findings were noted.
- 2) A management letter was not issued.

**Louisiana Assistive Technology Access Network  
Agreed-Upon Procedures Report  
September 30, 2018**



**HAWTHORN  
WAYMOUTH  
& CARROLL, L.L.P.**  
Certified Public Accountants

Louis C. McKnight, III, CPA  
Charles R. Pevey, Jr., CPA  
David J. Broussard, CPA  
Neal D. King, CPA  
Brittany B. Thames, CPA  
Kevin M. Rodriguez, CPA  
Blaine M. Crochet, CPA

### **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 (LATAN) and the Louisiana Legislative Auditor (LLA) on the control and compliance areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period October 1, 2017 through September 30, 2018. The Entity's management is responsible for those control and compliance 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 performed and the results thereof are set forth below. The procedure is stated first, followed by the results of the procedures presented in italics.

#### ***Board or Finance Committee***

---

1. Obtained and inspected 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) Observed 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.

*No exceptions noted.*

b) For those entities reporting on the governmental accounting model, observed 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-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit accounting model, observed that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

*No exceptions noted.*

- c) For governmental entities, obtained the prior year audit report and observed 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, observed 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.

*The Entity is not a governmental entity; therefore, this procedure is not applicable.*

### ***Bank Reconciliations***

---

- 2. Obtained a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Asked management to identify the entity's main operating account. Selected the entity's main operating account. Randomly selected one month from the fiscal period, obtained and inspected the corresponding bank statement and reconciliation for the selected account, and observed that:

- a) Bank reconciliations include evidence that they were prepared within two months of the related statement closing date (e.g., initialed and dated, electronically logged);

*No exceptions noted.*

- b) Bank reconciliations include evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged);

*No exceptions noted.*

- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than twelve months from the statement closing date, if applicable

*No exceptions noted.*

### ***Collections***

---

- 3. Management represented that the entity had only one deposit site for the fiscal period where deposits for cash/checks/money orders (cash) are prepared.

*No exceptions noted.*

- 4. For the deposit site, obtained a listing of collection locations and management's representation that the listing is complete. Randomly selected one collection location for the entity's only deposit site, obtained and inspected written policies and procedures relating to employee job duties (if no written policies or procedures, inquired of employees about their job duties) at the selected collection location, and observed that job duties are properly segregated at the selected collection location such that:

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

*No exceptions 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 exceptions 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 exceptions 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 exceptions noted.*

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

*No exceptions noted.*

- 6. Randomly selected two deposit dates for the bank account selected for procedure #2 under “Bank Reconciliations” above (selected the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly selected a deposit if multiple deposits were made on the same day). Obtained supporting documentation for each of the ten deposits and:

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

*Entity does not use sequentially pre-numbered receipts.*

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

*No exceptions noted.*

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

*No exceptions noted.*

- d) Observed that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than ten miles from the collection location or the deposit is less than \$100).

*Out of ten deposits, one deposit was not made within one business day of receipt. The deposit was made three business days after receipt.*

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

*No exceptions noted.*

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

---

8. Management represented that the entity has only one location that processes payments.

*No exceptions noted.*

9. For the location that processes payments, obtained a listing of those employees involved with non-payroll purchasing and payment functions. Obtained written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquired of employees about their job duties), and observed 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.

*No exceptions noted.*

- b) At least two employees are involved in processing and approving payments to vendors.

*No exceptions noted.*

- 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.

*No exceptions noted.*

- d) Either the employee/official responsible for signing checks mails the payments or gives the signed checks to an employee to mail who is not responsible for processing payments.

*No exceptions noted.*

10. For the location under #8 above, obtained the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtained management's representation that the population is complete. Randomly selected five disbursements for the location, obtained supporting documentation for each transaction and:

- a) Observed that the disbursement matched the related original invoice/billing statement.

*No exceptions noted.*

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

*No exceptions noted.*

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

---

11. Management represented the entity has only one active credit card, bank debit card, fuel card, or P-cards (cards), obtained a listing of the card numbers and the names of the persons who maintained possession of the card. Obtained management's representation that the listing is complete.

*No exceptions noted.*

12. For the credit card that was used during the fiscal period, randomly selected one monthly statement or combined statement for the card, obtained supporting documentation, and:

- a) Observed 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.]]

*No exceptions noted.*

- b) Observed that finance charges and late fees were not assessed on the selected statements.

*No exceptions noted.*

13. Using the monthly statement or combined statement selected under #12 above, excluding fuel cards, randomly selected ten transactions (or all transactions if less than ten) from the statement, and obtained supporting documentation for the transactions (i.e. each card should have ten transactions subject to testing). For each transaction, observed 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).

*No exceptions noted.*

### Contracts

---

14. Obtained 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. Obtained management's representation that the listing is complete. Selected five contracts from the listing, excluding the practitioner's contract, and:

- a) Observed that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

*No exceptions noted.*

- b) Observed that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

*The contracts did not require approval by the governing board; therefore, this procedure is not applicable.*

- c) If the contract was amended (e.g. change order), observed that the original contract terms provided for such an amendment.

*The contracts were not amended from the original contract terms; therefore, this procedure is not applicable.*

- d) Randomly selected one payment from the fiscal period for each of the contracts selected, obtained the supporting invoice, agreed the invoice to the contract terms, and observed that the invoice and related payment agreed to the terms and conditions of the contract.

*No exceptions noted.*

### ***Other***

---

- 15. Management represented there were no misappropriations of public funds and assets during the fiscal period.

*No exceptions noted.*

- 16. Observed that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

*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 control and compliance 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 control and compliance 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.

*Hawthorn, Weymouth & Carroll, LLP*  
February 11, 2019