

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

Financial Statements
For The Year Ended December 31, 2021



D. A. R. T.
(Domestic Abuse Resistance Team)
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For The Year Ended December 31, 2021

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INDEPENDENT AUDITORS' REPORT

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

Opinion

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, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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, 2021, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of D.A.R.T (Domestic Abuse Resistance Team) and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United State of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about D.A.R.T.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 D.A.R.T.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about D.A.R.T.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

To the Board of Directors
D.A.R.T (Domestic Abuse Resistance Team)
Ruston, Louisiana 71270
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Report on Supplementary 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 Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, on page 22, 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 23, 2022, 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 23, 2022

D.A.R.T.
(Domestic Abuse Resistance Team)
Statement of Financial Position
December 31, 2021

ASSETS

Current Assets

Cash and Cash Equivalents	\$ 421,511
Investments	360,029
Accounts Receivable	120,830
Prepaid Expenses	3,659
Total Current Assets	906,029

Property and Equipment

Net of accumulated depreciation of \$192,536	222,976
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TOTAL ASSETS

\$ 1,129,005

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts Payable & Accrued Liabilities	\$ 2,771
Deferred Revenues	88,872
Accrued Salaries & Payroll Taxes	21,759
Accrued Sick Time	11,652
Total Current Liabilities	125,054

Total Liabilities

125,054

Net Assets

Without Donor Restrictions	
Undesignated	666,709
Invested in property and equipment, net of related debt	222,976
With Donor Restrictions	
Time or use restricted for future periods	114,266
Total Net Assets	1,003,951

TOTAL LIABILITIES AND NET ASSETS

\$ 1,129,005

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, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Public Support and Grant Revenue			
Public Support:			
Grants	\$ -	\$ 900,628	\$ 900,628
Public Support Donations	126,541	36,404	162,945
Fund Raisings	88,475	-	88,475
Net Assets Released from Restrictions	917,331	(917,331)	-
Total Public Support and Grant Revenue	1,132,347	19,701	1,152,048
Other Support:			
Miscellaneous Income	-	-	-
Investment Return	16,597	-	16,597
Total Other Support	16,597	-	16,597
Total Public Support, Grant Revenue, And Other Support	1,148,944	19,701	1,168,645
Expenses and Losses:			
Program Services	871,238	-	871,238
Fundraising	217	-	217
Management and General	100,760	-	100,760
Total Expenses	972,215	-	972,215
Loss on Disposal of Equipment	1,046	-	1,046
Total Expenses and Losses	973,261	-	973,261
Increase in Net Assets	175,683	19,701	195,384
Net Assets at Beginning of Year	714,002	94,565	808,567
NET ASSETS AT END OF YEAR	\$ 889,685	\$ 114,266	\$ 1,003,951

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, 2021

	Program Services	Fundraising	Management & General	Total
Salaries	\$ 477,836	\$ -	\$ 58,472	\$ 536,308
Fringe	73,240	-	13,949	87,189
Travel	8,601	-	523	9,124
Operating Expense	101,498	-	21,736	123,234
Supplies	31,233	-	1,480	32,713
Client Care	149,497	-	-	149,497
Audit & Legal Fees	-	-	4,600	4,600
Fundraising	-	217	-	217
Depreciation	29,333	-	-	29,333
Totals	\$ 871,238	\$ 217	\$ 100,760	\$ 972,215

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, 2021

Cash Flows From Operating Activities	
Receipts from Granting Agencies and Contributors	\$ 1,191,003
Payments to Suppliers for Goods and Services	(319,020)
Payments to Employees	(535,855)
Payments of Payroll Taxes & Fringe Benefits	(87,636)
Net Cash Provided by Operating Activities	<u>248,492</u>
Cash Flows From Investing Activities	
Purchases of Property and Equipment	(32,130)
Increase in Investments	(150,002)
Net Cash Used by Investing Activities	<u>(182,132)</u>
Cash Flows From Financing Activities	
Net Cash Provided by Financing Activities	<u>-</u>
Net Increase in Cash and Cash Equivalents	66,360
Cash and Cash Equivalents at Beginning of Year	<u>355,151</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 421,511</u></u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Increase in Net Assets	\$ 195,399
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	29,333
Unrealized gains on investments	(3,635)
Realized gains on investments	(9,094)
Non-Cash Contributions	(17,921)
Dividend Income	(3,686)
Loss on Disposition of Equipment	1,046
Increase in Accounts Receivable	(6,641)
Decrease in Accounts Payable and Accrued Liabilities	(447)
Increase in Prepaid Expenses	(1,650)
Increase in Deferred Revenues	65,335
Increase in Accrued Salaries and Payroll Taxes	2,357
Decrease in Accrued Sick Time	(1,904)
Net Cash Provided by Operating Activities	<u><u>\$ 248,492</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, 2021

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:

ASC section 958-605 *Not-for-Profit Entities, Revenue Recognition* requires that unconditional promises to give (pledges) be recorded as receivables and revenue and requires the organization to distinguish between contributions received for each net asset category in accordance with donor-imposed restrictions.

Net assets, revenues, expenses, and changes in net assets are classified based on the existence or absence of donor restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and are not subject to donor-imposed stipulations.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction

D.A.R.T.
(Domestic Abuse Resistance Team)
Notes to Financial Statements
For The Year Ended December 31, 2021

Note 1 – Summary of Significant Accounting Policies (continued)

expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource has been fulfilled, or both. As of the year ended December 31, 2021, D.A.R.T. does not have any donor-imposed restrictions that are perpetual in nature.

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 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.

D.A.R.T.
(Domestic Abuse Resistance Team)
Notes to Financial Statements
For The Year Ended December 31, 2021

Note 1 – Summary of Significant Accounting Policies (continued)

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.

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, Cares Act, & 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.

D.A.R.T.
(Domestic Abuse Resistance Team)
Notes to Financial Statements
For The Year Ended December 31, 2021

Note 1 -- Summary of Significant Accounting Policies (continued)

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.

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.

LCADV Domestic Violence Flexible Housing Program

The program provides assistance to survivors to help acquire or maintain safe, stable housing.

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.

D.A.R.T.
(Domestic Abuse Resistance Team)
Notes to Financial Statements
For The Year Ended December 31, 2021

Note 1 – Summary of Significant Accounting Policies (continued)

g. Reclassifications:

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

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, 2021 is \$11,652.

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, 2021.

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, 2021, 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 2018 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, 2021

Note 1 – Summary of Significant Accounting Policies (continued)

I. Investments:

ASC section 820 *Fair Value Measurements and Disclosures* and ASC section 825 *Financial Instruments* require all entities to disclose the fair value of financial instruments for which it is practicable to estimate fair value.

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 2021 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 \$114,266 was restricted at December 31, 2021. 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, 2021, 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	\$	55,090	\$ -	\$ -
Mutual Funds		216,731	-	-
Equities		2,001	-	-
ETPs		86,207	-	-
Totals	\$	360,029	\$ -	\$ -

D.A.R.T.
(Domestic Abuse Resistance Team)
Notes to Financial Statements
For The Year Ended December 31, 2021

Note 4 – Investments (continued)

Investment return at December 31, 2021 is as follows:

Net Realized and Unrealized Gains/(Losses)	\$	12,728
Dividends		3,686
Interest		183
Total Investment Return	\$	<u>16,597</u>

Note 5 – Accounts Receivable

Accounts receivable at December 31, 2021 consisted of reimbursements for expenses incurred under the following programs:

Crime Victims Assistance	\$	24,380
Emergency Shelter Grant		8,879
Family Violence Prevention		69,224
Violence Against Women Act		2,373
LCADV Flex Housing 21-22		14,059
Civil 21-22		645
Marriage License 21-22		1,270
Miscellaneous		-
Total	\$	<u>120,830</u>

Note 6 - Fixed Assets

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

	Balance				Balance
	December 31,		Additions	Deletions	December 31,
	2020				2021
Fixed Assets:					
Office Furniture & Equipment	\$ 70,586	\$ 15,501	\$ 6,279	\$ 79,808	
Vehicles	32,458	-	-	32,458	
Land	18,650	-	-	18,650	
Building & Improvements	164,907	16,629	-	181,536	
Leasehold Improvements	103,060	-	-	103,060	
Total Fixed Assets	<u>389,661</u>	<u>32,130</u>	<u>6,279</u>	<u>415,512</u>	
Less: Accumulated Depreciation	<u>168,436</u>	<u>29,333</u>	<u>5,233</u>	<u>192,536</u>	
Net Fixed Assets	\$ <u>221,225</u>	\$ <u>2,797</u>	\$ <u>1,046</u>	\$ <u>222,976</u>	

Current year depreciation was recorded in the amount of \$29,333.

D.A.R.T.
(Domestic Abuse Resistance Team)
Notes to Financial Statements
For The Year Ended December 31, 2021

Note 6 - Fixed Assets (continued)

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, 2020	Additions	Deletions	Balance December 31, 2021
E.S.G.P	\$ 39,505	\$ -	\$ 2,110	\$ 37,395
C.V.A	43,472	8,823	-	52,295
FVP	34,308	5,729	2,553	37,484
L.C.A.D.V. Rural Projects	15,961	-	-	15,961
R.P.A.P – L.C.A.D.V.	2,612	-	-	2,612
Marriage License/Civil Fees	5,895	649	-	6,544
V.A.W.A.	791	-	-	791
Cares Act	2,804	-	-	2,804
TANF	2,378	-	901	1,477
D.A.R.T	241,935	16,929	715	258,149
Total Investment in Fixed Assets	\$ 389,661	\$ 32,130	\$ 6,279	\$ 415,512

Note 7 – 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 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.

D.A.R.T.
(Domestic Abuse Resistance Team)
Notes to Financial Statements
For The Year Ended December 31, 2021

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.

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 \$421,511 at December 31, 2021. The corresponding bank balances totaled \$428,047. The balances were covered by federal depository insurance in the amount of \$250,000.

Note 13 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash and cash equivalents	\$ 296,472
Investments	360,029
Accounts receivable to be collected within one year	120,830
	<u>\$ 777,331</u>

Note 14 - Subsequent Events

Date of Management Evaluation

Management has evaluated subsequent events through June 23, 2022, 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, 2021

<u>Revenues</u>	<u>V.A.W.A</u>	<u>FVP</u>	<u>C.V.A</u>	<u>E.S.G.</u>	<u>Flex Hsg.</u>
Grant Income	\$ 18,403	\$ 397,252	\$ 178,720	\$ 32,886	\$ 113,275
Total Grant Income	18,403	397,252	178,720	32,886	113,275
<u>Expenditures</u>					
Current:					
Salaries	13,607	280,954	128,125	-	-
Fringe	4,097	41,358	17,436	-	-
Travel	93	114	2,261	-	-
Operating Expense	-	50,942	1,846	15,061	-
Supplies	606	3,229	11,675	2,497	-
Client Care	-	-	-	15,328	113,275
Training to Public	-	-	-	-	-
Equipment - Non-capital	-	18,393	8,461	-	-
Capital Outlays	-	2,262	8,916	-	-
Total Expenditures	18,403	397,252	178,720	32,886	113,275
Excess of Revenues over Expenditures	-	-	-	-	-
Other Financing Sources (Uses)					
Operating Transfers - In	-	-	-	-	-
Operating Transfers - Out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	-	-	-	-	-
Fund Balances, Beginning of Year					
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -

<u>LCADV Conferences</u>	<u>Cares Act</u>	<u>ARP-1</u>	<u>I.O.L.T.A.</u>	<u>United Way</u>	<u>Marriage License</u>	<u>Civil Fees</u>	<u>Allstate</u>	<u>Total</u>
\$ 5,210	\$ 10,477	\$ 14,853	\$ 36,727	\$ 73,884	\$ 8,025	\$ 3,995	\$ 6,921	\$ 900,628
5,210	10,477	14,853	36,727	73,884	8,025	3,995	6,921	900,628
-	-	4,653	28,255	47,468	-	-	-	503,062
-	-	356	8,472	5,943	-	1,590	-	79,252
5,210	-	-	-	-	1,839	-	-	9,517
-	9,863	9,044	-	19,703	3,490	1,623	-	111,572
-	211	-	-	458	1,401	746	-	20,823
-	403	800	-	312	50	-	6,921	137,089
-	-	-	-	-	-	-	-	-
-	-	-	-	-	1,245	36	-	28,135
-	-	-	-	-	-	-	-	11,178
5,210	10,477	14,853	36,727	73,884	8,025	3,995	6,921	900,628
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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, 2021

Agency Head:

Executive Director - Cathy Ayo

Purpose:

Salary	\$ 75,046
Benefits - Payroll Taxes and Insurance	18,343
Travel	393
Reimbursements	-
Total Compensation, Benefits and Other Payments	<u>\$ 93,782</u>

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, 2021, 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 23, 2022.

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.

Board of Directors
D.A.R.T. (Domestic Abuse Resistance Team)
Ruston, Louisiana
Page 2

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 23, 2022

D.A.R.T.
(Domestic Abuse Resistance Team)
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2021

<u>Grant Title</u>	<u>Fund Number</u>	<u>Sub-Grant Award Number</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
United States Department of Housing and Urban Development:				
Community Planning and Development				
HUD Emergency Shelter Grants Program to:				
Louisiana Housing Corporation				
Subgranted to City of Ruston				
Emergency Shelter Grant Program				
07-01-20 to 06-30-21	ESGP 2020		14.231	\$ 24,047
07-01-20 to 06-30-22	ESGP 2021		14.231	8,471
Total United States Department of Housing and Urban Development				<u>32,518</u>
United States Department of Justice:				
Bureau of Justice Assistance, subgranted to:				
Louisiana Commission on Law Enforcement and Administration				
of Criminal Justice				
Domestic Violence Program, Crime Victim Assistance				
01-01-20 to 6-30-2021	CVA	2018-VA-02-5162	16.575	64,276
07-01-21 to 6-30-2022	CVA	2019-VA-02-5955	16.575	42,958
01-01-20 to 3-31-2021	CVA - Jackson/Union	2018-VA-02-5026	16.575	13,398
04-01-21 to 6-30-2022	CVA - Jackson/Union	2019-VA-02-5827	16.575	20,777
01-01-20 to 6-30-2021	CVA-Grant/Winn	2018-VA-02-5222	16.575	22,985
07-01-21 to 6-30-2022	CVA-Grant/Winn	2018-VA-02-5953	16.575	13,632
Violence Against Women Formula Grants				
01-01-21 to 12-31-2021	VAWA	2019-WF-03-5774	16.588	18,401
Total Department of Justice				<u>196,427</u>
United States Department of Health and Human Services:				
Pass through Louisiana Department of Children and Family Services				
Family Violence Prevention and Services				
07-01-20 to 06-30-21	FVP-25		93.671	208,609
07-01-21 to 06-30-22	FVP-26		93.671	175,387
03-27-20 to 09-30-21	Cares Act		93.671	12,011
03-15-21 to 09-30-25	ARP-1		93.671	13,827
Total Department of Health and Human Services				<u>409,834</u>
Total Federal Awards				<u>\$ 638,779</u>

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, 2021

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, 2021

We have audited the financial statements of D.A.R.T. (Domestic Abuse Resistance Team) as of and for the year ended December 31, 2021, and have issued our report thereon dated June 23, 2022. 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, 2021, 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 Title 2 U.S. Code of Federal Regulation Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Uniform Guidelines Requirements for Federal Awards (Uniform Guidance)?

C. Identification of Major Programs: N/A

Dollar threshold used to distinguish between Type A and Type B programs was \$750,000.

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

Section II- Financial Statement Findings

There were no findings for the year ended December 31, 2021.

Section III- Federal Award Findings and Question Costs

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, 2021

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

There were no prior year findings for the year ended December 31, 2020.

Management Letter

No management letter was issued.

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of the Domestic Abuse Resistance Team (DART), and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2021, through December 31, 2021. DART's management is responsible for those C/C areas identified in the SAUPs.

DART., has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2021, through December 31, 2021. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:¹
 - 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., periodic confirmation with outside parties,

¹ For governmental organizations, the practitioner may eliminate those categories and subcategories not applicable to the organization's operations. For quasi-public organizations, including nonprofits, the practitioner may eliminate those categories and subcategories not applicable to public funds administered by the quasi-public.

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, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- 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*², including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity'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.
- k) *Information Technology Disaster Recovery/Business Continuity*, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) *Sexual Harassment*, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Findings: Five exceptions noted where the written policies and procedures did not address required subcategories described above.

*Board or Finance Committee*³

- 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 whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly

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

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

budget-to-actual, at a minimum, on proprietary funds⁴, and semi-annual budget- to-actual, at a minimum, on all special revenue funds⁷. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds⁵ if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

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

Findings: No exceptions noted.

Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts⁶ (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 each selected 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 or 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 it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Findings: No exceptions noted.

Collections (excluding electronic funds transfers)⁷

4. Obtain a listing of deposit sites⁸ 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).

⁴Proprietary and special revenue funds are defined under GASB standards. The related procedure addresses these funds as a way to verify that boards are provided with financial information necessary to make informed decisions about entity operations, including proprietary and special revenue operations that are not required to be budgeted under the Local Government Budget Act.

⁵ R.S. 24:513 (A)(1)(b)(iv) defines public funds.

⁶ Accounts selected may exclude savings and investment accounts that are not part of the entity's daily business operations.

⁷ The Collections category is not required to be tested if the entity has a third party contractor performing all collection functions (i.e., receiving collections, preparing deposits, and making deposits).

⁸ A deposit site is a physical location where a deposit is prepared and reconciled.

5. For each deposit site selected, obtain a listing of collection locations⁹ 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 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/official verifies the reconciliation.
6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.
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). *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.
 - 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 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 and the cash is stored securely in a locked safe or drawer).
 - e) Trace the actual deposit per the bank statement to the general ledger.

Findings: One exception noted where the deposit was not made within one business day of receipt at the collection location.

⁹ A collection location is a physical location where cash is collected. An entity may have one or more collection locations whose collections are brought to a deposit site for deposit. For example, in a school district a collection location may be a classroom and a deposit site may be the school office.

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

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).
 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.
- [Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]
10. For each location selected under #8 above, obtain the entity'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 whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
 - b) Observe whether 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 cards¹⁰. Obtain management's representation that the listing is complete.
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 whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports

¹⁰ Including cards used by school staff for either school operations or student activity fund operations.

for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), 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.

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)¹¹. For each transaction, observe 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). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Findings: One exception noted where the receipt did not have documentation of the individuals participating in the meal.

Travel and Travel-Related Expense Reimbursements¹² (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, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
- b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- c) Observe 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 each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Findings: No exceptions noted.

¹¹ For example, if 3 of the 5 cards selected were fuel cards, only 10 transactions would be selected for each of the 2 credit cards. Conceivably, if all 5 cards randomly selected under procedure #12 were fuel cards, Procedure #13 would not be applicable.

¹² Non-travel reimbursements are not required to be tested under this category.

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:
- Observe whether the contract was bid in accordance with the Louisiana Public Bid Law¹³ (e.g., solicited quotes or bids, advertised), if required by law.
 - Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
 - If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
 - 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 the invoice and related payment agreed to the terms and conditions of the contract.

Findings: No exceptions noted.

Payroll and Personnel

16. Obtain a listing of employees and officials¹⁴ employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
- Observe all selected employees or officials¹⁵ documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
 - Observe whether supervisors approved the attendance and leave of the selected employees or officials.
 - Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee

¹³ If the entity has adopted the state Procurement Code, replace "Louisiana Public Bid Law" with "Louisiana Procurement Code."

¹⁴ "Officials" would include those elected, as well as board members who are appointed.

¹⁵ "Officials" would include those elected, as well as board members who are appointed.

or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Findings: No exceptions noted.

*Ethics*¹⁶

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
 - a. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Findings: Procedure not applicable for this entity.

*Debt Service*¹⁷

21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.
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 (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Findings: Procedure not applicable for this entity.

Fraud Notice

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 the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

¹⁶ The Louisiana Code of Ethics is generally not applicable to nonprofit entities but may be applicable in certain situations, such as councils on aging. If ethics is applicable to a nonprofit, the procedures should be performed.

¹⁷ This AUP category is generally not applicable to nonprofit entities; however, if applicable, the procedures should be performed.

24. Observe the entity has posted on its premises¹⁸ and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.¹⁹

Findings: No exceptions noted.

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."
- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.
 - b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

Findings: We performed the procedures and discussed the results with management.

Sexual Harassment²⁰

26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.
27. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
28. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:
- a) Number and percentage of public servants in the agency who have completed the training requirements;

¹⁸ Observation may be limited to those premises that are visited during the performance of other procedures under the AUPs.

¹⁹ This notice is available for download or print at www.lila.la.gov/hotline.

²⁰ A private non-profit that is subject to audit by virtue of the receipt of public funds does not appear to be subject to the sexual harassment law, R.S. 42:341, et seq. However, the non-profit could be subject to the law as part of its agreement to receive the public funds.

- b) Number of sexual harassment complaints received by the agency;
- c) Number of complaints which resulted in a finding that sexual harassment occurred;
- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e) Amount of time it took to resolve each complaint.

Findings: Procedure not applicable for this entity.

We were engaged by the DART, to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, 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.

We are required to be independent of the DART., and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended 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 23, 2022