

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

SHREVEPORT, LOUISIANA

FINANCIAL STATEMENTS

June 30, 2022

Marsha O. Millican
A Professional Accounting Corporation
Shreveport, Louisiana

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

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Marsha O. Millican

A PROFESSIONAL ACCOUNTING CORPORATION

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Council on Alcoholism and Drug Abuse
of Northwest Louisiana
Shreveport, Louisiana

Opinion

I have audited the accompanying financial statements of Council on Alcoholism and Drug Abuse of Northwest Louisiana (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expense, and cash flows for the year then ended, and the related notes to the financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Council on Alcoholism and Drug Abuse of Northwest Louisiana as of June 30, 2022, 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

I conducted my 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. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Council on Alcoholism and Drug Abuse of Northwest Louisiana and to meet my other ethical responsibilities in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 States 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 Council on Alcoholism and Drug Abuse of Northwest Louisiana's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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 and *Government 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 and *Government Auditing Standards*, I:

- 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 Council on Alcoholism and Drug Abuse of Northwest Louisiana'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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Council on Alcoholism and Drug Abuse of Northwest Louisiana's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

Report on Supplementary Information

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of State Contracts on page 14 and the Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head on page 15 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 my 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, I have also issued my report dated February 22, 2023, on my consideration of Council on Alcoholism and Drug Abuse of Northwest Louisiana's internal control over financial reporting and on my tests of its compliance with certain provisions of law, regulations, contract, and grant agreements and other matters. The purpose of that report is to describe the scope of my 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 Council on Alcoholism and Drug Abuse of Northwest Louisiana's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Louisiana Legislative Auditor, I have issued a report dated February 22, 2023 on the results of my statewide agreed-upon procedures performed in accordance with attestation engagements contained in *Government Auditing Standards*. The purpose of that report is solely to describe the scope of testing performed on those control and compliance areas identified in the Louisiana Legislative Auditor's statewide agreed-upon procedures, and the results of that testing, and not to provide a opinion on control or compliance.



Certified Public Accountant
February 22, 2023

EXHIBIT A

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

Statement of Financial Position

June 30, 2022

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$ 486,442
Grants and Contracts Receivable	355,547
Prepaid Expenses	80,403
Other	719
	923,111

Total Current Assets 923,111

PROPERTY AND EQUIPMENT

1,630,864

OTHER ASSETS

Cash Designated to Capital Acquisition	1,000,000
Investment	7,671
	1,007,671

Total Other Assets 1,007,671

Total Assets \$ 3,561,646

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts Payable and Accrued Expenses	\$ 175,330
Compensated Absences Payable	95,220
Notes Payable - Due Within One Year	25,574
	296,124

Total Current Liabilities 296,124

LONG-TERM LIABILITIES

Notes Payable - Due After One Year	82,421
	82,421

Total Liabilities 378,545

NET ASSETS (Note 6)

With donor restrictions	-
Without donor restrictions	3,183,101
	3,183,101

Total Net Assets 3,183,101

Total Liabilities and Net Assets \$ 3,561,646

The accompanying notes are an integral part of these statements.

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

Statement of Activities

For the Year Ended June 30, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT AND REVENUE:			
Support			
Contributions	\$ 388,580	\$ -	\$ 388,580
Total Support	388,580	-	388,580
Revenues:			
Client Fees	85,425	-	85,425
Program Service Fees	4,073,565	830,902	4,904,467
Rental Revenue	19,116	-	19,116
Miscellaneous	175,732	-	175,732
Total Revenues	4,353,838	830,902	5,184,740
Total Support and Revenue	4,742,418	830,902	5,573,320
Net Assets Released from Restrictions:			
Satisfaction of Usage Restrictions	830,902	(830,902)	-
Total Support and Revenue	5,573,320	-	5,573,320
EXPENSES			
Program Expenses	5,269,789	-	5,269,789
Management and General	672,663	-	672,663
Total Expenses	5,942,452	-	5,942,452
Change in Net Assets	(369,132)	-	(369,132)
Net assets, beginning of year	3,552,233	-	3,552,233
Net assets, end of year	<u>\$ 3,183,101</u>	<u>\$ -</u>	<u>\$ 3,183,101</u>

The accompanying notes are an integral part of these statements.

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

Statement of Functional Expenses

For the Year Ended June 30, 2022

	<u>Employee Assistance Program</u>	<u>Addition Recovery Clinic</u>	<u>Cavanaugh Adolescent</u>	<u>1.5 Buckhalter Program</u>
Salaries	\$ 66,120	\$ 217,127	\$ 701,344	\$ 65,899
Payroll Taxes	6,751	23,198	70,576	5,694
Building Rent	-	-	-	90
Equipment Rent/Lease	509	4,066	9,454	953
Fundraising Expense	-	6,772	-	-
Utilities & Telephone	3,212	24,562	66,386	4,362
Auto Expense	152	8,193	4,707	138
Insurance	4,508	38,558	70,461	7,181
Training & Travel	119	3,981	2,202	228
Food	54	1,235	31,521	5,021
Maintenance & Repair	230	9,853	18,646	1,881
Supplies	533	12,489	12,074	1,554
Printing & Literature	108	365	193	108
Depreciation	-	-	35,468	57,357
Professional Services	2,517	56,733	140,784	7,870
Advertising/Promotion	1,461	51,941	15,390	769
Interest	-	-	-	-
Bad Debts	-	-	29,610	2,225
Miscellaneous	956	13,314	20,288	401
	<hr/>	<hr/>	<hr/>	<hr/>
Total	\$ 87,230	\$ 472,387	\$ 1,229,104	\$ 161,731
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The accompanying notes are an integral part of these statements.

3.5 High Intensity Adult	LaSOR Mobile Crisis	Management and General	Total
\$ 1,602,518	\$ 112,403	\$ 311,443	\$ 3,076,854
160,485	8,831	28,695	304,230
3,827	-	-	3,917
24,520	-	4,116	43,618
-	-	6,772	13,544
145,739	711	24,701	269,673
10,762	1,847	8,138	33,937
150,836	3,175	38,553	313,272
6,899	350	15,576	29,355
214,859	-	6,030	258,720
106,779	207	11,287	148,883
97,801	4,194	12,306	140,951
1,255	-	474	2,503
5,675	-	77,020	175,520
245,903	188,576	41,158	683,541
39,665	147	51,941	161,314
-	-	4,095	4,095
71,680	-	-	103,515
46,650	63,043	30,358	175,010
<u>\$ 2,935,853</u>	<u>\$ 383,484</u>	<u>\$ 672,663</u>	<u>\$ 5,942,452</u>

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

Statement of Cash Flows

For the Year Ended June 30, 2022

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ (369,132)
Adjustments to reconcile net assets to net cash provided by operating activities:	
Depreciation	175,520
Changes in Assets and Liabilities:	
Increase in Grants and Contracts Receivable	(102,041)
Increase in Prepaid Expenses	(11,738)
Increase in Accounts and Accrued Expenses	32,114
Increase in Compensated Absences Payable	<u>14,868</u>
Net cash used by operating activities	<u>(260,409)</u>

CASH FLOWS PROVIDED BY CAPITAL ACTIVITIES:

Proceeds from borrowing	40,929
Payments on debt	<u>(25,269)</u>

Net cash provided by capital activities	<u>15,660</u>
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CASH FLOWS USED BY INVESTING ACTIVITIES:

Purchase of Fixed Assets	<u>(132,486)</u>
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Net cash used by investing activities	<u>(132,486)</u>
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Net decrease in cash	(377,235)
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CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR

(including \$1,000,000 designated to capital acquisition)	<u>1,863,677</u>
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CASH AND CASH EQUIVALENTS, END OF YEAR

(including \$1,000,000 designated to capital acquisition)	<u><u>1,486,442</u></u>
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Supplemental disclosures of cash flow information:

Cash paid during the year for interest expense	<u><u>\$ 4,095</u></u>
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The accompanying notes are an integral part of these statements.

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

Notes to Financial Statements

June 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. General:

Council on Alcoholism and Drug Abuse of Northwest Louisiana (the Council) is exempt from Federal income tax purposes under IRS Code Section 501(c)(3) of the internal Revenue Code and is exempt from state income taxes.

B. Basis of Accounting:

The accompanying financial statements have been presented on the accrual basis of accounting.

C. Basis of Presentation:

The financial statements of the Council have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP") which require the Council to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Council's management and board of directors.

Net assets with donor restrictions: These assets are subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Council or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, these net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

D. Measure of Operations:

The statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Council's ongoing services and interest and dividends earned on investments. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

E. Cash and Cash Equivalents:

For the purpose of cash flows, the organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

F. Property and Equipment:

Purchased property and equipment are stated at cost. Donated property and equipment are stated at their fair market value on the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, ranging from five to ten years.

G. Contributions:

All contributions received are considered available for use unless the donor specifies a restriction. Amounts received that are restricted by the donor for specific purposes are reported as donor restricted support that increases net assets with donor restrictions. When a donor restriction expires, donor restricted net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets from restrictions.

H. Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported accounts and disclosures. Accordingly, actual results could differ from those estimates.

I. Accounts Receivable

Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. The Council provides for losses on accounts receivable using the allowance method. The allowance is based on experience. It is the Council's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

J. Functional Expenses:

The costs of providing program and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among services and supporting services benefited. Such allocations are determined by management on an equitable basis. The expenses that are allocated include the following:

Expense	Method of Allocation
Salaries	Time and Effort
Payroll Taxes	Time and Effort
Building Rent	Square Footage
Equipment Rent/Lease	Full Time Equivalent
Fundraising Expense	Time and Effort
Utilities & Telephone	Time and Effort
Auto Expense	Time and Effort
Insurance	Time and Effort
Training & Travel	Time and Effort
Food	Full Time Equivalent
Maintenance & Repair	Time and Effort
Supplies	Full Time Equivalent
Printing & Literature	Full Time Equivalent
Depreciation	Square Footage
Professional Services	Full Time Equivalent
Advertising/Promotion	Time and Effort
Bad Debts	Full Time Equivalent
Interest	Full Time Equivalent
Miscellaneous	Time and Effort

2. REVENUE RECOGNITION:

In accordance with Topic 606, the Council recognizes revenue at a point in time for program fees from certain treatment services paid by clients and third-party payers such as Medicaid and other insurers. As of June 30, 2022, the Council had no outstanding performance obligations related to program service fees.

The remaining revenues from contributions, grants, contracts, and other sources are recognized in accordance with FASB ASC Topic 958, *Not-for-Profit Entities*.

Disaggregated Revenue

Approximately 75% of revenue is earned at a point in time, consisting of program service revenue. The remaining revenue is recognized under Topic 958.

Topic 606 revenue	\$4,184,476
Revenue not recognized in accordance with Topic 606	<u>1,388,844</u>
Total	<u>\$5,573,320</u>

There were no contract assets or liabilities at the beginning of the year or at June 30, 2022.

Program service fees are collected from clients seeking treatment at the time the services are rendered. Accordingly, there are no contract assets or contract liabilities associated with these services.

3. CASH:

At June 30, 2022, the carrying amount of the Council's deposits was \$1,486,442 while bank balances totaled \$1,569,057. The difference is due to outstanding checks at year end. Deposits of \$997,919 were insured by FDIC insurance and deposits of \$563,140 were collateralized by securities held by the bank in the Council's name. Deposits of \$7,998 were not insured and were subject to risk.

4. AVAILABILITY AND LIQUIDITY:

The following represents the Council's financial assets at June 30, 2022:

Financial assets at year end	
Cash and equivalents	\$ 486,442
Grants and contracts receivable	<u>355,547</u>
Total financial assets	\$ 841,989
Less amounts not available to be used within one year:	
Net assets with donor restrictions	-
Less net assets with purpose restriction to be met in less than a year	<u>-</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 841,989</u>

The Council's goal is generally to maintain financial assets to meet 90 days of operating expenses. As part of its liquidity plan, excess cash is invested in interest-bearing accounts.

5. GRANTS AND CONTRACTS RECEIVABLE:

Grants and contracts receivable at June 30, 2022 are as follows:

Department of Health and Hospitals	\$ 93,968
Insurance Receivable	<u>712,232</u>
Total Receivables	806,200
Less: Allowance for Doubtful Accounts	<u>(450,653)</u>
Net Receivables	<u>\$ 355,547</u>

Management periodically reviews the collectability of grants and contracts receivable in light of historical experience, the nature and type of account, adverse situations that may affect the payer's ability to repay and prevailing economic conditions. This evaluation is inherently subjective, as it requires estimates that are susceptible to significant revision as more information becomes readily available. Receivables deemed uncollectible are charged to an allowance for doubtful accounts. The balance in the allowance account at June 30, 2022 was \$450,653.

6. FIXED ASSETS:

Fixed assets at June 30, 2022 consisted of the following:

Building	\$ 1,628,626
Leasehold Improvements	1,322,674
Furniture and Fixtures	62,760
Equipment and Vehicles	<u>1,304,120</u>
Total Costs	4,318,180
Less Accumulated Depreciation	<u>(2,687,316)</u>
Property and Equipment - Net	<u><u>\$ 1,630,864</u></u>

7. NET ASSETS:

Net assets with donor restrictions for the year ended June 30, 2022, were as follows:

Specific purpose	<u><u>\$ -</u></u>
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Net assets without donor restrictions for the year ended June 30, 2022, were as follows:

Board designations for capital acquisitions	\$ 1,000,000
Undesignated	<u>2,183,101</u>
Total net assets without donor restrictions	<u><u>\$ 3,183,101</u></u>

Net assets released from net assets with donor restrictions are as follows:

	<u>2022</u>
Satisfaction of Purpose Restrictions	
Employee Assistance Program	\$ 48,860
HPBA Program	43,250
HPE Program	46,349
Cavanaugh Adolescent	211,338
High Intensity Adult	94,961
LaSOR Mobile Crisis	383,485
Other	<u>2,659</u>
Total	<u><u>\$ 830,902</u></u>

8. DONATED MATERIAL AND SERVICES:

Donated materials and equipment are reflected as contributions in the accompanying financial statements at their estimated values at the date of receipt. No amounts have been reflected in the statements for donated services, inasmuch as no objective basis is available to measure the value of such services; and the donated services do not create a nonfinancial asset.

9. LINE OF CREDIT:

The Council has available an unsecured line of credit bearing interest at a rate of 4.25%. Total available credit was \$300,000. No draws or payments were made on the line of credit for the year ended June 30, 2022.

10. RENTAL EXPENSE:

The Council leases space for its programs on month to month leases. Rental expense for the year ended June 30, 2022 was \$47,535. The Council has entered into two operating leases for equipment. The following is a schedule by years of future rental payments required under operating leases having remaining noncancelable lease terms in excess of one year as of June 30, 2023 - \$16,158; 2024 - \$10,180.

11. ADVERTISING:

The Council follows the policy of charging the costs of advertising to expense as incurred. Costs charged to expense for advertising for the year ended June 30, 2022 totaled \$161,314.

12. RELATED PARTY TRANSACTIONS:

The Council owns a 95% interest in the Buckhalter Limited Partnership valued at \$7,671. The Partnership is the owner of the Buckhalter Hotel which is an integral part of the Buckhalter Program administered by the Council.

13. CONCENTRATION OF CREDIT RISKS:

Financial instruments that are exposed to concentration of credit risk consist of grants and accounts receivable. As of June 30, 2022, 36% of accounts receivable were due from two funding sources; (83)% of revenue was provided by two funding sources.

14. INCOME TAX STATUS:

The Council, as a nonprofit organization, is required to file Form 990 with the Internal Revenue Service on an annual basis. Returns for years ended June 30, 2020 and later are subject to review by the Internal Revenue Service. The Council is not aware of any uncertain tax positions that could cause future tax liabilities.

15. NOTES PAYABLE:

Notes payable at June 30, 2022 consisted of the following:

Note to a bank dated January 26, 2021 in the original amount of \$100,000, due in monthly payments of \$1,826 through January 26, 2026. The note bears interest at 3.6% and is collateralized by a money market account at a bank in the amount of \$100,980. The balance of the note at June 30, 2022 was \$73,406.

Note to a bank dated August 18, 2021 in the original amount of \$40,929, due in monthly payments of \$746 through August 18, 2026. The note bears interest at 3.5% and is collateralized by a vehicle. The balance of the note at June 30, 2022 is \$34,589.

Maturities of notes payable, including interest of \$3,760 are as follows:

<u>Year Ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 25,574	\$ 1,666	\$ 27,240
2024	27,067	895	27,962
2025	28,065	653	28,718
2026	19,836	403	20,239
2027	<u>7,453</u>	<u>143</u>	<u>7,596</u>
Total	<u>\$107,995</u>	<u>\$ 3,760</u>	<u>\$111,755</u>

16. SUBSEQUENT EVENTS:

Management has evaluated subsequent events through February 22, 2023, the date the financial statements were available to be issued, and have determined no additional disclosures are warranted.

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

Schedule of State Contracts

For the Year Ended June 30, 2022

<u>FEDERAL GRANTOR/ PROGRAM TITLE</u>	<u>PROGRAM OR AWARD AMOUNT</u>	<u>REVENUE RECOGNIZED</u>	<u>EXPENDITURES</u>
<u>U. S. Department of Health and Human Services Passed through the Louisiana Department of Health and Hospitals</u>			
Office of Behavioral Health			
Outpatient Services	\$ 48,500	\$ 46,349	\$ 46,349
LaSOR - Mobile Crisis	498,224	383,485	383,485
High Intensity Residential Cavanaugh Center	324,186	211,338	211,338
High Intensity Residential Adult 3.5	<u>126,990</u>	<u>94,961</u>	<u>94,961</u>
Total Office of Addictive Disorders	<u>\$ 997,900</u>	<u>\$ 736,133</u>	<u>\$ 736,133</u>
Total - All State Contracts	<u>\$ 997,900</u>	<u>\$ 736,133</u>	<u>\$ 736,133</u>

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

Schedule of Compensation, Reimbursements, Benefits, and Other Payments
to Agency Head

For the Year Ended June 30, 2022

Agency Head: Bill Rose, Executive Director

Salary	\$ 122,400
Payroll Taxes	\$ 9,243
Insurance	\$ 8,336
Seminars	\$ 1,975
Reimbursements	\$ -



Marsha O. Millican

A PROFESSIONAL ACCOUNTING CORPORATION

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
Council on Alcoholism and Drug Abuse of Northwest Louisiana
Shreveport, Louisiana

I 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 Council on Alcoholism and Drug Abuse of Northwest Louisiana as of and for the year ended June 30, 2022, and related notes to financial statements, which collectively comprise the Council's basic financial statements, and have issued my report thereon dated February 22, 2023.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered Council on Alcoholism and Drug Abuse of Northwest Louisiana's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, I do not express an opinion on the effectiveness of the Council's internal control over financial reporting.

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 Council's financial statements will not be prevented, or detected 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.

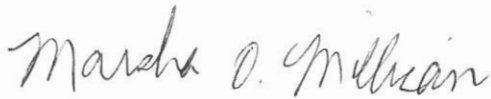
My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during my audit, I did not identify any deficiencies in internal control that I 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 Council on Alcoholism and Drug Abuse of Northwest Louisiana's financial statements are free of material misstatement, I 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed an instance of compliance or other matters that is required to be reported under *Government Auditing Standards*, and which is described in the accompanying Schedule of Findings as Finding #2022-1.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Council'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 Council's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Certified Public Accountant

February 22, 2023

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

Schedule of Findings

For the Year Ended June 30, 2022

A. Summary of Audit Results

Financial Statements:

- | | |
|--|------------|
| 1, Type of auditor's report issued | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses: | None Noted |
| c. Noncompliance material to the financial statements noted? | Yes |

Financial Statements Findings:

Finding #2022-1: Late Filing of Audit Report

Condition: State law requires the Council to file its financial statements with the Louisiana Legislative Auditor within six months after year end.

Criteria: The financial statements of the Council were not submitted to the Louisiana Legislative Auditor by the statutory due date of December 31, 2022.

Cause: The COVID and Flu seasons put a tremendous strain on the Council's accounting and billing staff. The Council was forced to move to a new Electronic Health Record and Billing system in the first quarter of the fiscal year. The Council was required to undergo a CARF survey, the preparation for which is time consuming and includes all department participation. Personnel were required to spend a significant amount of time preparing for and dealing with the CARF surveyors.

Effect: The Council is not in compliance with state law.

Recommendation: I recommend the Council file its financial statements with the Louisiana Legislative Auditor within the time frame required by state law.

Management's Response: We agree with the finding. We will file our financial statements within the time frame required by state law in the future.

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

Corrective Action Taken on Prior Year Findings

For the Year Ended June 30, 2022

There were no findings for the year ended June 30, 2021.



Marsha O. Millican
A PROFESSIONAL ACCOUNTING CORPORATION

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

To the Board of Directors
Council on Alcoholism and Drug Abuse of Northwest Louisiana
Shreveport, Louisiana

I 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 July 1, 2021 through June 30, 2022. Management of Council on Alcoholism and Drug Abuse of Northwest Louisiana (the Council) is responsible for those C/C areas identified in the SAUPS.

The Board of Directors of the Council has agreed to and acknowledged that 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 the LLA's SAUPS for the fiscal period July 1, 2021 through June 30, 2022. 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. I obtained and inspected the entity's written policies and procedures and observed that they address each of the following categories and subcategories, if applicable, to public funds and the entity's operations:
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

The entity has written policies and procedures that adequately address this function.

- 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 Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

The entity has written policies and procedures that adequately address this function.

- c) *Disbursements*, including processing, reviewing, and approving.

The entity has written policies and procedures that adequately address this function.

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

The entity has written policies and procedures that adequately address this function.

- 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.

The entity has written policies and procedures that adequately address this function.

- 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.

The entity has written policies and procedures that adequately address this function.

- 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).

The entity has written policies and procedures that adequately address this function.

- h) *Travel and expense reimbursements*, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

The entity has written policies and procedures that adequately address this function.

- i) *Ethics*, including (1) the prohibition 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.

The entity has written policies and procedures that adequately address this function.

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

The entity has written policies and procedures that adequately address this function.

- 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 a 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.

The entity has written policies and procedures that adequately address this function.

- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

This procedure is not applicable to the Council.

Board or Finance Committee

- 2. I 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 were noted as a result of this procedure.

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

No exceptions were noted as a result of this procedure.

- 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.

Inasmuch as the Council is not a governmental entity, this is not applicable.

Bank Reconciliations

- 3. I obtained a listing of entity 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 and randomly select 4 additional accounts (or all accounts if less than 5). Randomly selected one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observed 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);

No exceptions were noted as a result of this procedure.

- 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

No exceptions were noted as a result of this procedure.

- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

No exceptions were noted as a result of this procedure.

Collections (excluding electronic funds transfers)

- 4. I obtained a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly selected 5 deposit sites (or all deposit sites if less than 5).

No exceptions were noted as a result of this procedure.

- 5. For each deposit site selected, obtained a listing of collection locations and management's representation that the listing is complete. Randomly selected one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites, obtain and inspect written policies and procedures

relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

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

No exceptions were noted as a result of this procedure.

- 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 were noted as a result of this procedure.

- 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 were noted as a result of this procedure.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

No exceptions were noted as a result of this procedure.

- 6. I obtained from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observed that the bond or insurance policy for theft was enforced during the fiscal period.

No exceptions were noted as a result of this procedure.

- 7. Randomly selected 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.* Obtained supporting documentation for each of the 10 deposits and:

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

No exceptions were noted as a result of this procedure.

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

No exceptions were noted as a result of this procedure.

- 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 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).

No exceptions were noted as a result of this procedure.

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

No exceptions were noted as a result of this procedure.

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

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

No exceptions were noted as a result of this procedure.

- 9. For each location selected under #8 above, obtain 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, inquire 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 were noted as a result of this procedure.

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

No exceptions were noted as a result of this procedure.

- 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 were noted as a result of this procedure.

- 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.

No exceptions were noted as a result of this procedure.

[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, obtained the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly selected 5 disbursements for each location, obtained supporting documentation for each transaction and:

- a) Observed that the disbursement matched the related original itemized invoice and that supporting documentation indicates that deliverables included on the invoice were received by the entity.

No exceptions were noted as a result of this procedure.

- 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 were noted as a result of this procedure.

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

11. Obtained from management a listing of all credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtained management's representation that the listing is complete.

No exceptions were noted as a result of this procedure.

12. Using the listing prepared by management, randomly selected 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly selected one monthly statement or combined statement for each card (for a debit card, randomly select on monthly bank statement), 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 received 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.]

No exceptions were noted as a result of this procedure.

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

No exceptions were noted as a result of this procedure.

- 13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly selected 10 transactions (or all transactions if less than 10) from each statement, and obtained supporting documentation for the transactions (i.e. each card should have 10 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). For missing receipts, the practitioners 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.

No exceptions were noted as a result of this procedure.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

- 14. Obtained 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 selected 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 that 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).

No exceptions were noted as a result of this procedure.

- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

No exceptions were noted as a result of this procedure.

- c) Observed that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

No exceptions were noted as a result of this procedure.

- d) Observed that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No exceptions were noted as a result of this procedure.

Contracts

15. 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. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtained management's representation that the listing is complete. Randomly selected 5 contracts (or all contracts if less than 5) 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 were noted as a result of this procedure.

- 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).

No exceptions were noted as a result of this procedure.

- c) If the contract was amended (e.g., change order), observed that 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).

No exceptions were noted as a result of this procedure.

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

No exceptions were noted as a result of this procedure.

Payroll and Personnel

16. Obtained a list of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly selected 5 employees or officials, obtained related salaries and personnel files, and agree paid salaries to authorized salaries/ pay rates in the personnel files.

No exceptions were noted as a result of this procedure.

17. Randomly selected 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:

- a) Observed that all selected employees or officials 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.

No exceptions were noted as a result of this procedure.

- b) Observed that supervisors approved the attendance and leave of the selected employees of officials.

No exceptions were noted as a result of this procedure.

- c) Observed that any leave accrued or taken during the pay period is reflected in the entity's accumulative leave records.

No exceptions were noted as a result of this procedure.

- d) Observed that the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

No exceptions were noted as a result of this procedure.

- 18. Obtained 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 selected two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity policy on termination payments. Agreed the hours to the employees' or officials' cumulative leave records, agreed the pay rates to the employee of officials' authorized pay rates in the employee or official's personnel files, and agreed the termination payment to entity policy.

No exceptions were noted as a result of this procedure.

- 19. Obtained 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 the required deadlines.

No exceptions were noted as a result of this procedure.

Ethics

- 20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtained ethics documentation from management, and:

- a) Observed that the documentation demonstrates each employee/official completed on hour of ethics training during the fiscal period.

No exceptions were noted as a result of this procedure.

- b) Observed that 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.

No exceptions were noted as a result of this procedure.

Debt Service

- 21. Obtained a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Selected all debt instruments on the listing, obtained supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued.

No exceptions were noted as a result of this procedure.

- 22. Obtained a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly selected one bond/note, inspected debt covenants, obtained supporting documentation for the reserve balance and payments, and agreed 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).

No exceptions were noted as a result of this procedure.

Fraud Notice

- 23. Obtained a listing of misappropriation of public funds and assets during the fiscal period and management's representation that the listing is complete. Selected all misappropriations on the listing, obtained supporting documentation, and observed that the entity reported the misappropriation(s) to the legislative auditor and to the district attorney of the parish in which the entity is domiciled.

There were no reports of misappropriations of funds during the fiscal period.

- 24. Observed 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 were noted as a result of this procedure.

Information Technology Disaster Recovery/Business Continuity

- 25. Performed the following procedures, **verbally discuss the results with management, and report, "I performed the procedure and discussed the results with management."**

- a) Obtained and inspected the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquired of personnel responsible for backing up critical data) and observed that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observed evidence that backups are encrypted before being transported.

I performed the procedures and discussed the results with management.

- b) Obtained and inspected the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquired of personnel responsible for testing/verifying backup restoration) and observed evidence that the test/verification was successfully performed within the past 3 months.

I performed the procedures and discussed the results with management.

- c) Obtained a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly selected 5 computers and observed while management demonstrated 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.

I performed the procedures and discussed the results with management.

Sexual Harassment

- 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.

These procedures are not applicable to the Council.

- 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).

These procedures are not applicable to the Council.

- 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:

These procedures are not applicable to the Council.

- a) Number and percentage of public servants in the agency who have completed the training requirements.;

These procedures are not applicable to the Council.

- b) Number of sexual harassment complaints received by the agency;

These procedures are not applicable to the Council.


- e) Amount of time it took to resolve each complaint.

These procedures are not applicable to the Council.

I was engaged by the Council to perform this agreed-upon procedures engagement and conducted my engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. I was 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, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

I am required to be independent of the Council and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my 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.



Certified Public Accountant
February 22, 2023