

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

SHREVEPORT, LOUISIANA

FINANCIAL STATEMENTS

June 30, 2021

Marsha O. Millican  
A Professional Accounting Corporation  
Shreveport, Louisiana

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

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June 30, 2021

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# Marsha O. Millican

A PROFESSIONAL ACCOUNTING CORPORATION

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

## **Report on Financial Statements**

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, 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.

## **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

## **Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with accounting principles 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. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

***Opinion***

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, 2021, and the changes in the net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

***Other Information***

My audit was made for the purpose of forming an opinion on the financial statements as a whole. The Schedule of State Contracts and the Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head listed in the table of contents as supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative, Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also 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 the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, this information is fairly stated, in all material respects, in relation to the basic 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 March 29, 2022 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 laws, 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. The report is an integral part of an audit performance with *Government Auditing Standards* in considering Council on Alcoholism and Drug Abuse of Northwest Louisiana's internal control over internal control over financial reporting and compliance.

*Marda O. Milhian*

Certified Public Accountant

March 29, 2022

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

## Statement of Financial Position

June 30, 2021

ASSETS	
CURRENT ASSETS	
Cash and Cash Equivalents	\$ 863,677
Grants and Contracts Receivable	253,506
Prepaid Expenses	68,665
Other	719
	<hr/>
Total Current Assets	1,186,567
PROPERTY AND EQUIPMENT	1,673,917
OTHER ASSETS	
Cash Designated to Capital Acquisition	1,000,000
Investment	7,671
	<hr/>
Total Other Assets	1,007,671
Total Assets	<u><u>\$ 3,868,155</u></u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts Payable and Accrued Expenses	\$ 143,216
Compensated Absences Payable	80,352
Notes Payable - Due Within One Year	18,852
	<hr/>
Total Current Liabilities	242,420
LONG TERM LIABILITIES	
Notes Payable - Due After One Year	73,482
	<hr/>
Total Liabilities	315,902
NET ASSETS (Note 7)	
With donor restrictions	-
Without donor restrictions	3,552,253
	<hr/>
Total Net Assets	3,552,253
	<hr/>
Total Liabilities and Net Assets	<u><u>\$ 3,868,155</u></u>

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, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>SUPPORT AND REVENUE:</b>			
<b>Support</b>			
Contributions	\$ 258,452	\$ 1,147	\$ 259,599
Total Support	258,452	1,147	259,599
<b>Revenues:</b>			
Client Fees	50,147	44,284	94,431
Program Service Fees	142,222	5,069,226	5,211,448
Rental Revenue	24,424	-	24,424
Miscellaneous	153,054	4,897	157,951
Total Revenues	369,847	5,118,407	5,488,254
Total Support and Revenue	628,299	5,119,554	5,747,853
<b>Net Assets Released from Restrictions:</b>			
Satisfaction of Usage Restrictions	5,119,554	(5,119,554)	-
Total Support and Revenue	5,747,853	-	5,747,853
<b>EXPENSES</b>			
Program Expenses	5,082,681	-	5,082,681
Management and General	774,151	-	774,151
Total Expenses	5,856,832	-	5,856,832
Change in Net Assets	(108,979)	-	(108,979)
Net assets, beginning of year	3,661,232	-	3,661,232
Net assets, end of year	<u>\$ 3,552,253</u>	<u>\$ -</u>	<u>\$ 3,552,253</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, 2021

	Buckhalter Program	Employee Assistance Program	Biedenharn Center	Cavanaugh Center	Veterans Recovery Center
Salaries	\$ 397,579	\$ 47,716	\$ 378,719	\$ 767,582	\$ 45,668
Payroll Taxes	39,380	6,799	38,052	76,941	4,376
Building Rent	1,068	-	1,068	-	15,311
Equipment Rent/Lease	6,935	581	6,877	5,316	276
Fundraising Expense	72	18	36	180	-
Utilities & Telephone	28,509	2,254	26,375	55,410	2,821
Auto Expense	3,961	44	3,878	5,360	341
Insurance	41,840	7,162	40,211	56,193	5,550
Training & Travel	1,033	60	1,017	880	104
Food	53,656	3	53,662	62,086	10,754
Maintenance & Repair	25,597	792	24,003	35,599	1,510
Supplies	26,037	713	26,171	28,300	1,296
Printing & Literature	91	69	86	93	67
Depreciation	68,584	-	4,182	31,808	5,332
Professional Services	53,237	427	33,774	149,517	312
Advertising/Promotion	9,594	2,115	7,004	19,642	2,036
Interest	-	-	-	-	-
Bad Debts	8,898	-	-	29,610	-
Miscellaneous	6,838	662	6,444	17,988	290
Total	<u>\$ 772,909</u>	<u>\$ 69,415</u>	<u>\$ 651,559</u>	<u>\$ 1,342,505</u>	<u>\$ 96,044</u>

The accompanying notes are an integral part of these statements.

3.5 High Intensity Adult	LaSOR Mobile Crisis	Management and General	Total
\$ 1,062,095	\$ 75,397	\$ 377,816	\$ 3,152,572
107,442	5,250	38,962	317,202
2,136	-	-	19,583
15,165	-	7,721	42,871
450	-	2,890	3,646
60,509	1,273	35,110	212,261
8,318	3,615	2,606	28,123
106,516	649	69,372	327,493
2,727	-	18,672	24,493
108,854	-	96	289,111
50,981	139	16,124	154,745
53,781	13,314	17,152	166,764
227	4,459	426	5,518
-	-	58,487	168,393
146,284	95,113	100,360	579,024
48,758	324	26,892	116,365
-	-	1,465	1,465
65,748	-	-	104,256
15,574	95,151	-	142,947
<u>\$ 1,855,565</u>	<u>\$ 294,684</u>	<u>\$ 774,151</u>	<u>\$ 5,856,832</u>



COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

## Statement of Cash Flows

For the Year Ended June 30, 2021

## CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ (108,979)
Adjustments to reconcile net assets to net cash provided by operating activities:	
Depreciation	168,393
Changes in Assets and Liabilities:	
Decrease in Grants and Contracts Receivable	292,374
Decrease in Pledges Receivable	13,867
Increase in Other Assets	(2)
Decrease in Prepaid Expenses	10,988
Decrease in Accounts and Accrued Expenses	(12,149)
Increase in Compensated Absences Payable	17,924
	<u>382,416</u>
Net cash provided by operating activities	<u>382,416</u>

## CASH FLOWS PROVIDED BY CAPITAL ACTIVITIES:

Proceeds from debt	100,000
Payments on debt	<u>(7,666)</u>
Net cash provided by capital activities	<u>92,334</u>

## CASH FLOWS USED BY INVESTING ACTIVITIES:

Purchase of Fixed Assets	<u>(249,026)</u>
	<u>(249,026)</u>
Net increase in cash	225,724

## CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR

(including \$1,000,000 designated to capital acquisition)	<u>1,637,953</u>
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## CASH AND CASH EQUIVALENTS, END OF YEAR

(including \$1,000,000 designated to capital acquisition)	<u><u>1,863,677</u></u>
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## Supplemental disclosures of cash flow information:

Cash paid during the year for interest expense	<u><u>\$ 1,465</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, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. General:

Council on Alcoholism and Drug Abuse of Northwest Louisiana (the Council) is a nonprofit corporation organized under the laws of the State of Louisiana. The Council was organized to heighten public awareness that alcohol and drug addictions are preventable and treatable diseases, and to provide programs for long-term treatment for adults and teens.

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. 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 without 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
Interest	Time and Effort
Bad Debts	Time and Effort
Miscellaneous	Time and Effort

## K. Accounting Pronouncement:

In June 2018, the FASB issued ASU 2018-08, *Not-for-Profit Entities* (Topic 958): *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which will assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal) transactions and (2) determining whether a contributions is conditional. The Council has adopted the guidance from the ASU regarding contributions received. The effect of the adoption of ASU 2018-08 had no effect on net assets or the change in net assets.

## 2. CASH:

At June 30, 2021, the carrying amount of the Council's deposits was \$1,863,677, while bank balances totaled \$1,942,813. The difference is due to outstanding checks at year end. Deposits of \$870,305 were insured by FDIC insurance and deposits of \$1,072,508 were collateralized by securities held by the bank in the Council's name.

3. AVAILABILITY AND LIQUIDITY:

The following represents the Council's financial assets at June 30, 2020:

Financial assets at year end	
Cash and equivalents	\$ 863,677
Grants and contracts receivable	<u>253,506</u>
 Total financial assets	 \$ 1,117,183
 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><u>\$ 1,117,183</u></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.

4. GRANTS AND CONTRACTS RECEIVABLE:

Grants and contracts receivable at June 30, 2021 are as follows:

Department of Health and Hospitals	\$ 61,614
Insurance Receivable	540,257
Veterans Administration	212
Other	<u>66,531</u>
Total Receivables	668,614
 Less: Allowance for Doubtful Accounts	 <u>(415,108)</u>
 Net Receivables	 <u><u>\$ 253,506</u></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, 2021 was \$415,108.

5. FIXED ASSETS:

Fixed assets at June 30, 2021 consisted of the following:

Building	\$ 1,537,503
Leasehold Improvements	1,322,674
Furniture and Fixtures	62,760
Equipment and Vehicles	<u>1,263,191</u>
Total Costs	4,186,128
Less Accumulated Depreciation	<u>(2,512,211)</u>
Property and Equipment - Net	<u><u>\$ 1,673,917</u></u>

6. NET ASSETS:

Net assets with donor restrictions for the year ended June 30, 2021, were as follows:

Specific purpose	<u><u>\$ -</u></u>
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Net assets without donor restrictions for the year ended June 30, 2020, were as follows:

Board designations for capital acquisitions	\$ 1,000,000
Undesignated	<u>2,552,253</u>
Total net assets without donor restrictions	<u><u>\$ 3,552,253</u></u>

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

	<u>2021</u>
Satisfaction of Purpose Restrictions	
Buckhalter Program	\$ 401,011
Employee Assistance Program	84,548
Biedenharn Center	251,279
Cavanaugh Center	1,178,000
Veterans Recovery Center	34,664
3.5 High Intensity Adult	2,875,368
LaSOR Mobile Crisis	<u>294,684</u>
Total	<u><u>\$ 5,119,554</u></u>

7. 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.

8. 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, 2021.

9. RENTAL EXPENSE:

The Council leases space for its programs on month to month leases. Rental expense for the year ended June 30, 2021 was \$19,583. 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, 2021- \$18,009; 2023 - \$16,158; 2024 - \$10,180.

10. 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, 2021 totaled \$116,635.

11. 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.

12. CONCENTRATION OF CREDIT RISKS:

Financial instruments that are exposed to concentration of credit risk consist of grants and accounts receivable. As of June 30, 2021, 90% of accounts receivable were due from and 84% of total revenue was provided by two funding sources.

13. 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, 2019 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.

14. NOTE PAYABLE:

The Council has a note payable to a bank dated January 26, 2021 in the original amount of \$100,000. The note is 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 \$100,828.

The balance of the note at June 30, 2021 was \$92,334.

Maturities of the note payable, including interest of \$8,081 are as follows:

Year Ended June 30	Principal	Interest	Total
2022	\$ 18,852	\$ 3,058	\$ 21,910
2023	19,552	2,358	21,910
2024	20,273	1,637	21,910
2025	21,030	880	21,910
2026	<u>12,627</u>	<u>148</u>	<u>12,775</u>
Total	<u>\$92,334</u>	<u>\$ 8,081</u>	<u>\$100,415</u>

15. SUBSEQUENT EVENTS:

The Council has evaluated subsequent events through March 29, 2022, 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 Expenditures of Federal Awards

For the Year Ended June 30, 2021

<u>FEDERAL GRANTOR/ PROGRAM TITLE*</u>	<u>FEDERAL CFDA NUMBER</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>				
Halfway House* Buckhalter Hotel	93.959	\$ 9,999	\$ 9,690	\$ 9,690
High Intensity Residential* Cavanaugh Center	93.959	334,186	334,186	334,186
High Intensity Residential* Adult 3.5	93.959	126,990	106,967	106,967
Subtotal CFDA #93.959		471,175	450,843	450,843
LaSOR - Mobile Crisis	93.788	373,668	294,684	294,684
Halfway House Family Success Institute	93.558	330,691	249,979	249,979
Total - U.S. Dept of Health and Human Services		<u>\$ 1,175,534</u>	<u>\$ 995,506</u>	<u>\$ 995,506</u>
Total - All Federal Awards		<u><u>\$ 1,175,534</u></u>	<u><u>\$ 995,506</u></u>	<u><u>\$ 995,506</u></u>

\* Indicates Major Program

The accompanying notes are an integral part of this schedule.

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

Notes to the Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2021

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the schedule) includes the federal spending of Council on Alcoholism and Drug Abuse of Northwest Louisiana (the Council) and is presented on the accrual basis of accounting. This information is presented in accordance with the requirements of *Title 2, U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

The Council did not pass through any of its federal awards to a subrecipient during the fiscal year, nor did it expend any federal awards in the form of noncash assistance.

The Council had elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

Schedule of State Contracts

For the Year Ended June 30, 2021

<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	\$ 47,029	\$ 47,029
LaSOR - Mobile Crisis	373,668	294,684	294,684
Halfway House Buckhalter Hotel	9,999	9,690	9,690
High Intensity Residential Cavanaugh Center	334,186	334,186	334,186
High Intensity Residential Adult 3.5	126,990	106,967	106,967
Halfway House Family Success Institute	<u>330,691</u>	<u>249,979</u>	<u>249,979</u>
Total Office of Addictive Disorders	<u>\$ 1,224,034</u>	<u>\$ 1,042,535</u>	<u>\$ 1,042,535</u>
Total - All State Contracts	<u>\$ 1,224,034</u>	<u>\$ 1,042,535</u>	<u>\$ 1,042,535</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, 2021

Agency Head: Bill Rose, Executive Director

Salary	\$ 121,400
Payroll Taxes	\$ 9,834
Insurance	\$ 7,527
Seminars	\$ 320
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, 2021, and related notes to the financial statements, which collectively comprise the Council's basic financial statements, and have issued my report thereon dated March 29, 2022.

### Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered Council on Alcohol 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.

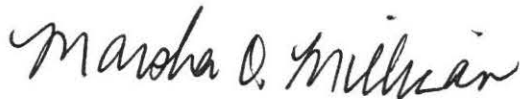
My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during my audit, I did not identify any deficiencies in internal control that I consider to be 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 no instances 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 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  
March 29, 2022





# Marsha O. Millican

A PROFESSIONAL ACCOUNTING CORPORATION

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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

### Report on Compliance for Each Major Federal Program

I have audited Council on Alcoholism and Drug Abuse of Northwest Louisiana's (the Council's) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Council's major federal programs for the year ended June 30, 2020. The Council's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### Management's Responsibility

Management is responsible for compliance with of federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### Auditor's Responsibility

My responsibility is to express an opinion on compliance for each of the Council's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of *Title 2 U. S. Code of Federal Regulations Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Council's compliance with those requirements and performing such other procedures as I considered necessary to the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination of the Council's compliance.

### **Opinion on Each Major Federal Program**

In my opinion, the Council complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

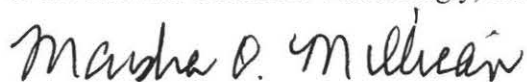
### **Report on Internal Control over Compliance**

Management of the Council is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered the Council's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the Council's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

My consideration of internal control over compliance 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 compliance that might be material weaknesses or significant deficiencies. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of my testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Certified Public Accountant

March 29, 2022



COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2021

A. Summary of Audit Results

1. The auditor's report expresses an unmodified opinion on the basic financial statements of Council on Alcoholism and Drug Abuse of Northwest Louisiana (the Council).
2. No material weaknesses relating to the audit of the basic financial statements of the Council are reported.
3. No instances of noncompliance material to the basic financial statements of the Council were disclosed during the audit.
4. No material weaknesses relating to the audit of major federal award programs are reported.
5. The auditor's report on compliance for the major federal award programs for the Council expresses an unmodified opinion.
6. There are no audit findings relative to the major federal award programs for the Council.
7. The programs tested as major programs included:

<u>Program</u>	<u>CFDA Number</u>
Halfway House - Buckhalter Hotel	93.959
High Intensity Residential - Cavanaugh Center	93.959
High Intensity Residential - Adult 3.5	93.959

8. The threshold for distinguishing Type A and B programs was \$750,000.
9. Council on Alcohol and Drug Abuse of Northwest Louisiana was not determined to be a low risk auditee.

B - Findings - Financial Statement Audit

None.

C - Findings Questioned Costs - Major Federal Programs

None.

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

Corrective Action Taken on Prior Year Findings

For the Year Ended June 30, 2021

There were no findings for the year ended June 30, 2020.