

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

SHREVEPORT, LOUISIANA

FINANCIAL STATEMENTS

June 30, 2018

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

Report on the 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, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. 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. Those 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 auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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

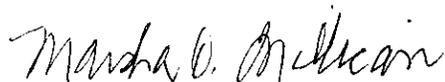
In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Council on Alcoholism and Drug Abuse of Northwest Louisiana as of June 30, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

My audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The schedule of compensation, reimbursements, benefits, and other payments to agency head listed in the table of contents as supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. This schedule 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. Such information has been subjected to the auditing procedures applied in the audit of the basic 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 statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of American. In my opinion, the schedule of compensation, reimbursements, benefits, and other payments to agency head is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated December 26, 2018 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. 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.



Certified Public Accountant
December 26, 2018

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

Statement of Financial Position

June 30, 2018

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$ 990,408
Grants and Contracts Receivable	311,144
Pledges Receivable	112,196
Prepaid Expenses	60,990
Other	720

Total Current Assets	1,475,458
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PROPERTY AND EQUIPMENT (NET)

1,405,617

OTHER ASSETS

Cash Designated to Capital Acquisition	1,000,000
Investment	15,000
Pledges Receivable - Long Term	246,051

Total Other Assets	1,261,051
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Total Assets	<u>\$ 4,142,126</u>
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LIABILITIES AND NET ASSETS

Accounts Payable and Accrued Expenses	\$ 153,518
Compensated Absences Payable	54,828

Total Current Liabilities	208,346
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NET ASSETS (Note 11)

Unrestricted	3,933,780
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Total Net Assets	3,933,780
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Total Liabilities and Net Assets	<u>\$ 4,142,126</u>
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The accompanying notes are an integral part of this statement.

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

Statement of Activities

For the Year Ended June 30, 2018

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE:				
Support:				
Contributions	\$ 327,854	\$ -	\$ -	\$ 327,854
Total Support	<u>327,854</u>	<u>-</u>	<u>-</u>	<u>327,854</u>
Revenues:				
Client Fees	66,366	-	-	66,366
Program Service Fees	5,702,190	-	-	5,702,190
Rental Revenue	4,272	-	-	4,272
Miscellaneous	111,930	-	-	111,930
Total Revenues	<u>5,884,758</u>	<u>-</u>	<u>-</u>	<u>5,884,758</u>
Total Support and Revenue	<u>6,212,612</u>	<u>-</u>	<u>-</u>	<u>6,212,612</u>
Net Assets Released from Restrictions:				
Satisfaction of Usage Restrictions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Support and Revenue	<u>6,212,612</u>	<u>-</u>	<u>-</u>	<u>6,212,612</u>
EXPENSES				
Program Expenses	4,542,814	-	-	4,542,814
Management and General	845,375	-	-	845,375
Total Expenses	<u>5,388,189</u>	<u>-</u>	<u>-</u>	<u>5,388,189</u>
Change in Net Assets	824,423	-	-	824,423
Net assets, beginning of year	<u>3,109,357</u>	<u>-</u>	<u>-</u>	<u>3,109,357</u>
Net assets, end of year	<u>\$ 3,933,780</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,933,780</u>

The accompanying notes are an integral part of this statement.

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

Statement of Functional Expenses

Year Ended June 30, 2018

	<u>Buckhalter Program</u>	<u>Employee Assistance Program</u>	<u>Biedenbarn Center</u>	<u>Cavanaugh Center</u>	<u>Veterans Recovery Center</u>
Salaries	\$ 327,390	\$ 108,308	\$327,388	\$ 578,845	\$ 138,301
Payroll Taxes	34,604	11,784	34,593	64,232	15,148
Building Rent	1,122	-	1,122	-	48,780
Equip Rent/Lease	2,783	1,551	2,783	2,927	1,616
Fundraising Expense	243	81	162	162	81
Utilities & Telephone	20,041	4,156	20,039	37,947	4,921
Auto Expense	4,000	144	3,999	5,706	3,744
Insurance	35,469	8,205	35,474	55,333	15,382
Training & Travel	1,854	1,671	1,818	1,940	1,671
Food	47,053	-	47,122	68,793	53,192
Maintenance & Repair	40,736	9,953	20,698	69,574	10,165
Supplies	24,661	3,107	26,775	36,188	17,859
Printing & Literature	2,983	1,492	2,951	1,900	1,540
Depreciation	53,845	-	5,187	23,691	2,222
Professional Services	23,163	2,998	22,572	90,004	3,096
Advertising/Promotion	6,448	5,180	5,814	5,814	5,180
Bad Debts	17,796	-	-	59,220	-
Miscellaneous	2,218	1,273	2,429	12,718	3,236
Total	<u>\$ 646,409</u>	<u>\$ 159,903</u>	<u>\$560,926</u>	<u>\$ 1,114,994</u>	<u>\$ 326,134</u>

The accompanying notes are an integral part of this statement.

3.5 High Intensity Adult	Medically Assisted Detox	Management and General	Total
\$480,526	\$ 480,512	\$ 351,874	\$ 2,793,144
50,583	50,557	36,202	297,703
1,122	1,122	-	53,268
2,783	2,783	2,359	19,585
-	-	19,195	19,924
20,037	20,033	7,821	134,995
3,999	3,999	1,269	26,860
40,255	40,277	53,645	284,040
1,745	1,745	19,749	32,193
47,053	47,052	200	310,465
120,789	40,589	39,364	351,868
23,547	23,543	15,954	171,634
2,919	2,919	3,800	20,504
-	-	51,933	136,878
40,138	70,208	60,881	313,060
4,546	4,546	61,756	99,284
87,880	13,500	18,527	196,923
1,572	1,569	100,846	125,861
<u>\$929,494</u>	<u>\$ 804,954</u>	<u>\$ 845,375</u>	<u>\$ 5,388,189</u>

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

Statement of Cash Flows

For the Year Ended June 30, 2018

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ 824,423
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	136,878
Changes in Assets and Liabilities:	
Decrease in Grants and Contracts Receivable	186,864
Decrease in Pledges Receivable	74,004
Increase in Other Assets	(2)
Decrease in Prepaid Expenses	9,590
Increase in Accounts and Accrued Expenses	17,138
Decrease in Compensated Absences Payable	<u>(2,497)</u>
Net cash provided by operating activities	<u>1,246,398</u>

CASH FLOWS USED BY INVESTING ACTIVITIES:

Purchase of Fixed Assets	<u>(223,715)</u>
Net cash used by investing activities	<u>(223,715)</u>
Net increase in cash	1,022,683

CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>967,725</u>
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CASH AND CASH EQUIVALENTS, END OF YEAR (including \$1,000,000 designated to capital acquisition)	<u><u>\$ 1,990,408</u></u>
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Supplemental disclosures of cash flow information:

Cash paid during the year for interest expense	<u><u>\$ -</u></u>
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The accompanying notes are an integral part of this statement.

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

Notes to Financial Statements

June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. General:

The Council on Alcoholism and Drug Abuse of Northwest Louisiana is a nonprofit organization exempt for federal income tax purposes under Section 501(C)(3) of the Internal Revenue Code and is exempt from federal and state income taxes.

B. Nature of Activities:

The purpose of the Council is to heighten public awareness that substance abuse is a preventable and treatable disease through a combined strategy of education, public policy changes and the efforts of individuals, families and all elements of the community working in concert. The Council operates the Addiction Recovery Clinic, an information and outpatient substance abuse treatment center providing a wide variety of services including assessment and referral, individual and group and outpatient therapy, education, and drug screening. The Council also operates residential substance treatment programs at the CADA Adolescent Treatment Center for adolescents only, and the CADA Bossier Treatment Center for adult men and women.

C. Basis of Accounting:

The accompanying financial statements have been prepared on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses are recognized when incurred.

D. Support and Revenue:

The Council receives its program service fees primarily from insurance companies and the State of Louisiana Department of Health and Hospitals. The Council receives client fees and food stamp income for billable client services and recognizes these fees and income when earned.

E. Cash and Cash Equivalents:

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

(Continued)

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

Notes to Financial Statements

June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

F. Property and Equipment:

Purchased property and equipment are stated at cost. The Council's policy is to capitalize and depreciate long-lived assets with a cost of \$1,000 or more. 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 seven years (furniture and equipment) to 10 to 39 years (buildings, improvements and leasehold improvements).

G. Contributions:

All contributions received are considered available for unrestricted use unless the donor specifies a restriction. Amounts received that are restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

H. Promises to Give:

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

I. Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Estimates made by management include collectibility of receivables, discount on pledges receivable, and depreciation.

J. Functional Allocation of Expenses:

The costs of providing the Council's various programs and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

(Continued)

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

Notes to Financial Statements

June 30, 2018

2. Cash:

At June 30, 2018, the carrying amount of the Council's deposits was \$1,990,408 while bank balances totaled \$2,037,285. The difference is due to outstanding checks at year end. Deposits of \$1,026,141 were insured by FDIC insurance, deposits of \$1,007,978 were collateralized by securities, and deposits of \$3,166 were unsecured and subject to risk.

3. Grants and Contracts Receivable:

Grants and contracts receivable at June 30, 2018 are as follows:

Department of Health and Hospitals	\$ 39,153
Insurance Receivables	359,559
Veterans Administration	<u>20,501</u>
Total Receivables	419,213
Less: Allowance for Doubtful Accounts	<u>108,069</u>
Net Receivables	<u>\$ 311,144</u>

Management periodically reviews the collectibility of grants and contracts receivable in light of historical experience, the nature and type of account, adverse situations that may affect the payor'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, 2018 was \$108,069.

4. Unconditional Promises to Give:

Unconditional promises to give at June 30, 2018 consisted of the following:

Receivable in less than one year	\$ 113,876
Receivable in one to four years	<u>258,397</u>
Total unconditional promises to give	372,273
Less discounts to present value of 1.5%	(14,026)
Less allowance for uncollectible pledges	<u>(-)</u>
Net unconditional promises to give at June 30, 2018	358,247
Due within one year	<u>(112,196)</u>
Unconditional promises to give - long-term	<u>\$ 246,051</u>

(Continued)

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

Notes to Financial Statements

June 30, 2018

5. Property and Equipment:

Property and Equipment consists of the following:

Buildings and Land	\$ 1,276,532
Leasehold Improvements	994,854
Furniture and Fixtures	49,979
Equipment	<u>1,115,091</u>
	3,436,456
Less Accumulated Depreciation	<u>(2,030,839)</u>
Property and Equipment - Net	<u>\$ 1,405,617</u>

6. Line of Credit:

The Council has available an unsecured line of credit bearing interest at a rate of 6%. Total available credit was \$300,000. Net payments on the line of credit for the year ended June 30, 2018 were \$-0-.

7. Rental Expense:

The Council leases space for its programs on month to month leases. Rental expense for the year ended June 30, 2018 was \$53,269.

8. 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, 2018 totaled \$99,284.

9. Related Party Transactions:

The Council owns a 95% interest in the Buckhalter Limited Partnership valued at \$15,000. The Partnership is the owner of the Buckhalter Hotel which is an integral part of the Buckhalter Program administered by the Council.

10. 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, 2015 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.

(Continued)

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

Notes to Financial Statements

June 30, 2018

11. Net Assets

Unrestricted net assets consist of net assets available for operations and net assets designated by the board of directors for specific purposes. Board designated net assets total \$1,000,000 at June 30, 2018.

12. Subsequent Events

Management has evaluated subsequent events through December 26, 2018, the date that the financial statements were available to be issued, and determined no additional disclosures are necessary.

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, 2018

Agency Head: Bill Rose, Executive Director

Salary	\$	<u>103,000</u>
Payroll Taxes	\$	<u>7,278</u>
Insurance	\$	<u>7,168</u>
Seminars	\$	<u>2,841</u>
Reimbursements	\$	<u>-</u>



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, 2018, and related notes to the financial statements, which collectively comprise the Council's basic financial statements, and have issued my report thereon dated December 26, 2018.

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.

A deficiency in internal control exists when the design or operation 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 that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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 determination of financial statement amounts. 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 of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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SHREVEPORT, LA 71104-3036
(318) 221-3881
FAX: (318) 221-4641

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
December 26, 2018

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

Schedule of Findings

For the Year Ended June 30, 2018

There were no findings for the year ended June 30, 2018.

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA, INC.

Corrective Action Taken on Prior Year Findings

For the Year Ended June 30, 2018

There were no findings for the year ended June 30, 2017.



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, which were agreed to by the Board of Directors of Council on Alcoholism and Drug Abuse of Northwest Louisiana (the Council) and the Louisiana Legislative Auditor (LLA) on the control and compliance areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2017 and June 30, 2018. The Council's management is responsible for those control and compliance areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*, issued by the Comptroller General of the United States. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

My procedures and associated findings are enumerated below.

Written Policies and Procedures

Not applicable because of no exceptions in previous year.

Board (or Finance Committee, if applicable)

Not applicable because of no exceptions in previous year.

Bank Reconciliations

Not applicable because of no exceptions in previous year.

Collections

Not applicable because of no exceptions in previous year.

Disbursements - General (excluding credit card/debit card/fuel card/P-Card purchases or payments)

Not applicable because of no exceptions in previous year.

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

Not applicable because of no exceptions in previous year.

Travel and Expense Reimbursement

Not applicable because of no exceptions in previous year.

Contracts

Not applicable because of no exceptions in previous year.

Payroll and Personnel

Not applicable because of no exceptions in previous year.

Ethics (excluding nonprofits)

Not applicable because of no exceptions in previous year.

Debt Service (excluding nonprofits)

Not applicable because of no exceptions in previous year.

Other

1. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Management did not identify any misappropriations.

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

Procedure Results - I noted no exceptions.

I was not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, 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.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:514, this report is distributed by the LLA as a public document.

Marta D. Milhien

Certified Public Accountant

December 26, 2018