

**COUNCIL ON ALCOHOL AND DRUG ABUSE  
FOR GREATER NEW ORLEANS**

**FINANCIAL AND COMPLIANCE AUDIT  
TOGETHER WITH  
INDEPENDENT AUDITORS' REPORT**

**FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of the  
**Council on Alcohol and Drug Abuse**  
**for Greater New Orleans**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the **Council on Alcohol and Drug Abuse for Greater New Orleans (CADA)** (a nonprofit organization), which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities, functional expenses, and cash flows for the years 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

**INDEPENDENT AUDITORS' REPORT**  
**(CONTINUED)**

To the Board of Directors of the  
**Council on Alcohol and Drug Abuse**  
**for Greater New Orleans**

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**Auditors' Responsibility, Continued**

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **CADA** as of June 30, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**INDEPENDENT AUDITORS' REPORT**  
**(CONTINUED)**

To the Board of Directors of the  
**Council on Alcohol and Drug Abuse**  
**for Greater New Orleans**

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**Other Matters**

*Other Information*

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. 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 (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis and is not a required part of the financial statements. Also, the accompanying Schedule of Compensation, Benefits and Other Payments to the Executive Director is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

**INDEPENDENT AUDITORS' REPORT**  
**(CONTINUED)**

To the Board of Directors of the  
**Council on Alcohol and Drug Abuse**  
**for Greater New Orleans**

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**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2018, on our consideration of CADA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering CADA's internal control over financial reporting and compliance.

*Bruno & Tervalon LLP*

**BRUNO & TERVALON LLP**  
**CERTIFIED PUBLIC ACCOUNTANTS**  
New Orleans, Louisiana

December 28, 2018

**COUNCIL ON ALCOHOL AND DRUG ABUSE  
FOR GREATER NEW ORLEANS**  
STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
<u>Assets</u>		
Cash and cash equivalents (NOTES 1 and 10)	\$535,942	\$527,860
Grants receivable	206,654	85,669
Unconditional promises to give (NOTE 9)	108,849	109,546
Prepaid expenses	8,507	10,603
Furniture and equipment, net of accumulated depreciation (NOTES 1 and 5)	22,986	32,324
Lease deposit	<u>1,728</u>	<u>1,728</u>
Total assets	<u>\$884,666</u>	<u>\$767,730</u>
 <u>Liabilities and Net Assets</u>		
<u>Liabilities</u>		
Accounts payable and accrued expenses	\$ 70,594	\$ 26,703
Deferred revenue	<u>-</u>	<u>1,442</u>
Total liabilities	<u>70,594</u>	<u>28,145</u>
 <u>Net Assets</u>		
Unrestricted (NOTE 1)	705,223	630,039
Temporarily restricted (NOTES 1 and 8)	<u>108,849</u>	<u>109,546</u>
Total net assets	<u>814,072</u>	<u>739,585</u>
Total liabilities and net assets	<u>\$884,666</u>	<u>\$767,730</u>

See Accompanying Notes to the Financial Statements.

**COUNCIL ON ALCOHOL AND DRUG ABUSE  
FOR GREATER NEW ORLEANS  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Support and Revenue:</b>			
United Way for Greater New Orleans Area:			
Allocations	\$ -	\$ 25,000	\$ 25,000
Designations	-	2,318	2,318
United Way-St. Charles Contributions	-	81,531	81,531
Special events revenue, net of costs of direct benefits to donors of \$6,000	11,233	-	11,233
Federal grants	28,014	-	28,014
Other grants	915,374	-	915,374
Program service fees	89,156	-	89,156
Other	69,477	-	69,477
	2,688	-	2,688
Net assets released from restrictions:			
Expiration of time restrictions (NOTE 7)	<u>109,546</u>	<u>(109,546)</u>	<u>-</u>
 Total support and revenue	 <u>1,225,488</u>	 <u>(697)</u>	 <u>1,224,791</u>
<b>Expenses:</b>			
Program services	862,728	-	862,728
Supporting services:			
Management and general	230,061	-	230,061
Fundraising	<u>57,515</u>	<u>-</u>	<u>57,515</u>
 Total expenses	 <u>1,150,304</u>	 <u>-</u>	 <u>1,150,304</u>
Changes in net assets	75,184	(697)	74,487
Net assets, beginning of year	<u>630,039</u>	<u>109,546</u>	<u>739,585</u>
Net assets, end of year	<u>\$ 705,223</u>	<u>\$ 108,849</u>	<u>\$ 814,072</u>

See Accompanying Notes to the Financial Statements.

**COUNCIL ON ALCOHOL AND DRUG ABUSE  
FOR GREATER NEW ORLEANS  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Support and Revenue:			
United Way for Greater New Orleans Area:			
Allocations	\$ 612	\$ 25,000	\$ 25,612
Designations	-	3,015	3,015
United Way-St. Charles Contributions	-	81,531	81,531
	7,692	-	7,692
Special events revenue, net of costs of direct benefits to donors of \$17,795	22,829	-	22,829
Federal grants	796,953	-	796,953
Other grants	74,940	-	74,940
Program service fees	50,065	-	50,065
BP Oil Spill	197,024	-	197,024
Other	129	-	129
Net assets released from restrictions:			
Expiration of time restrictions (NOTE 7)	<u>116,667</u>	<u>(116,667)</u>	<u>-</u>
Total support and revenue	<u>1,266,911</u>	<u>(7,121)</u>	<u>1,259,790</u>
Expenses:			
Program services	851,375	-	851,375
Supporting services:			
Management and general	192,001	-	192,001
Fundraising	<u>61,318</u>	<u>-</u>	<u>61,318</u>
Total expenses	<u>1,104,694</u>	<u>-</u>	<u>1,104,694</u>
Changes in net assets	162,217	(7,121)	155,096
Net assets, beginning of year	<u>467,822</u>	<u>116,667</u>	<u>584,489</u>
Net assets, end of year	<u>\$ 630,039</u>	<u>\$ 109,546</u>	<u>\$ 739,585</u>

See Accompanying Notes to the Financial Statements.

**COUNCIL ON ALCOHOL AND DRUG ABUSE  
FOR GREATER NEW ORLEANS  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2018**

	PROGRAM SERVICES	SUPPORTING SERVICES		Total
		Management and General	Fundraising	
Salaries and wages	\$ 497,263	\$ 132,604	\$ 33,150	\$ 663,017
Employee health and retirement	78,941	21,051	5,263	105,255
Payroll taxes	54,548	14,546	3,637	72,731
Total salaries and related expenses	630,752	168,201	42,050	841,003
Professional fees	132,127	35,234	8,808	176,169
Supplies	7,762	2,070	517	10,349
Telephone	6,249	1,666	417	8,332
Postage and shipping	420	112	28	560
Occupancy, insurance and fees	28,546	7,612	1,903	38,061
Equipment repairs and maintenance	2,339	624	156	3,119
Printing and publications	1,401	374	93	1,868
Travel	8,679	2,314	579	11,572
Conference and training attended	2,423	646	162	3,231
Conference and training held	2,270	605	151	3,026
Dues	901	240	60	1,201
Fundraising	7,368	1,965	491	9,824
Miscellaneous	24,488	6,530	1,633	32,651
Total expenses before depreciation	855,725	228,193	57,048	1,140,966
Depreciation	7,003	1,868	467	9,338
Total expenses	<u>\$ 862,728</u>	<u>\$ 230,061</u>	<u>\$ 57,515</u>	<u>\$ 1,150,304</u>

See Accompanying Notes to the Financial Statements.

**COUNCIL ON ALCOHOL AND DRUG ABUSE**  
**FOR GREATER NEW ORLEANS**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2017**

	PROGRAM SERVICES	SUPPORTING SERVICES		Total
		Management and General	Fundraising	
Salaries and wages	\$ 449,782	\$ 121,005	\$ 41,125	\$ 611,912
Employee health and retirement	71,729	19,297	6,558	97,584
Payroll taxes	44,783	12,048	4,095	60,926
Total salaries and related expenses	566,294	152,350	51,778	770,422
Professional fees	184,346	19,909	-	204,255
Supplies	4,829	3,040	-	7,869
Telephone	5,690	1,531	520	7,741
Postage and shipping	-	178	692	870
Occupancy, insurance and fees	25,896	6,967	2,368	35,231
Equipment repairs and maintenance	2,878	404	-	3,282
Printing and publications	12,717	1,681	1,578	15,976
Travel	10,022	773	-	10,795
Conference and training attended	12,942	-	-	12,942
Conference and training held	1,928	-	-	1,928
Dues	-	1,285	-	1,285
Equipment	8,278	-	-	8,278
Other	-	-	4,382	4,382
Miscellaneous	7,575	1,888	-	9,463
Total expenses before depreciation	843,395	190,006	61,318	1,094,719
Depreciation	7,980	1,995	-	9,975
Total expenses	<u>\$ 851,375</u>	<u>\$ 192,001</u>	<u>\$ 61,318</u>	<u>\$ 1,104,694</u>

See Accompanying Notes to the Financial Statements.

**COUNCIL ON ALCOHOL AND DRUG ABUSE  
FOR GREATER NEW ORLEANS  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

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	<u>2018</u>	<u>2017</u>
Cash Flows from Operating Activities:		
Changes in net assets	\$ 74,487	\$ 155,096
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	9,338	9,975
Decrease (Increase) in operating assets:		
Grants receivable	(120,985)	20,336
Unconditional promises to give	697	7,121
Prepaid expenses	2,096	2,188
(Decrease) Increase in operating liabilities:		
Accounts payable and accrued expenses	43,891	(11,962)
Deferred revenue	<u>(1,442)</u>	<u>1,442</u>
Net cash provided by operating activities	<u>8,082</u>	<u>184,196</u>
Cash Flows from Investing Activities:		
Purchases of equipment	<u>-</u>	<u>(31,006)</u>
Net cash used in investing activities	<u>-</u>	<u>(31,006)</u>
Net increase in cash and cash equivalents	8,082	153,190
Cash and cash equivalents, beginning of year	<u>527,860</u>	<u>374,670</u>
Cash and cash equivalents, end of year	<u>\$ 535,942</u>	<u>\$ 527,860</u>

See Accompanying Notes to the Financial Statements.

**COUNCIL ON ALCOHOL AND DRUG ABUSE  
FOR GREATER NEW ORLEANS  
NOTES TO THE FINANCIAL STATEMENTS**

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NOTE 1 - Summary of Significant Accounting Policies:

General

The **Committee on Alcoholism and Drug Abuse for Greater New Orleans** was created by Articles of Incorporation dated July 27, 1960, and amended April 30, 1970 and November 1, 1991, to operate exclusively for charitable, educational, and scientific purposes, including the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code. On May 22, 1997, the **Committee on Alcoholism and Drug Abuse for Greater New Orleans** established its operating name as the **Council on Alcohol and Drug Abuse for Greater New Orleans (CADA)**.

The mission of **CADA** is to empower community members to build a safe and health future through prevention, treatment and recovery support services that foster resilience and well-being.

Financial Statement Presentation

For the years ended June 30, 2018 and 2017, **CADA** followed the requirements of Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) Section 958-205, *Not-for-Profit Entities, Presentation of Financial Statements*, in the presentation of its financial statements. Under FASB ASC Section 958-205, **CADA** is required to report, as applicable, information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted net assets. Accordingly, net assets and changes therein are classified and reported as follows:

- Unrestricted net assets - Support, revenues, and expenses for the general operation of **CADA**.

**COUNCIL ON ALCOHOL AND DRUG ABUSE  
FOR GREATER NEW ORLEANS**  
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

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NOTE 1 - Summary of Significant Accounting Policies, Continued:

Financial Statement Presentation, Continued

- Temporarily restricted net assets - Contributions specifically authorized by the donor to be used for a certain purpose or to benefit a specific accounting period.
- Permanently restricted net assets - Contributions subject to donor imposed restrictions and that are to be held in perpetuity by CADA. Generally, the donors of these assets permit CADA to use all or part of the income derived from the investment of these contributions.

At June 30, 2018 and 2017, CADA had no permanently restricted net assets.

Furniture and Equipment

Furniture and equipment are stated at cost. Additions, renewals, and betterments that add materially to productive capacity or extend the life of an asset are capitalized. Expenditures for maintenance and repairs which do not extend the life of the applicable assets are charged to expense as incurred. Upon retirement or disposal of an asset, the asset and accumulated depreciation accounts are adjusted accordingly. Any resulting gain or loss is included in the statement of activities.

Depreciation of furniture and equipment is provided over the estimated useful lives of the assets (five to ten years) on a straight-line basis.

**COUNCIL ON ALCOHOL AND DRUG ABUSE  
FOR GREATER NEW ORLEANS**  
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

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NOTE 1 - Summary of Significant Accounting Policies, Continued:

Income Taxes

**CADA** is exempt from income tax as a not-for-profit organization operated under Section 501(c)(3) of the Internal Revenue Code of 1986. Therefore, no provision is made for income taxes in the accompanying financial statements.

**CADA** files as a tax-exempt organization. Should that status be challenged in the future, **CADA's** 2018, 2017 and 2016 tax years are open for examination by the IRS.

Functional Allocation of Expenses

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

Statements of Cash Flows

For the purpose of the statements of cash flows, **CADA** considers time deposits and all highly liquid instruments purchased with maturities of three months or less to be cash equivalents.

**COUNCIL ON ALCOHOL AND DRUG ABUSE  
FOR GREATER NEW ORLEANS**  
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

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NOTE 1 - Summary of Significant Accounting Policies, Continued:

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Contributions and Grants

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Grants from private and governmental agencies are recorded when **CADA** is entitled to the funds.

Deferred Revenues

**CADA** reports as deferred revenue grants received earlier than the time for revenue recognition.

NOTE 2 - Pension Plan:

**CADA** has a defined contribution plan which covers substantially all full-time employees. Annual contributions are discretionary with the Board of Directors, but may not exceed the maximum amount deductible for federal tax purposes. Contributions for the years ended June 30, 2018 and 2017 were \$20,366 and \$15,624.

**COUNCIL ON ALCOHOL AND DRUG ABUSE  
FOR GREATER NEW ORLEANS**  
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

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NOTE 3 - Facility Lease:

On October 1, 2012, CADA leased office space under a noncancelable operating lease expiring on September 30, 2014. A fourth amendment to the original lease was made effective in January, 2018 to the extend the original lease through December 31, 2018. For the years ended June 30, 2018 and 2017, facility lease expense amounted to \$25,044 for each fiscal year.

NOTE 4 - Fair Value of Financial Instruments:

The fair value of financial instruments has been determined utilizing available market information and appropriate valuation methodologies. The carrying amount approximates fair value of cash and cash equivalents, and unconditional promises to give.

NOTE 5 - Furniture and Equipment:

Furniture and equipment are stated at cost as follows:

	<u>2018</u>	<u>2017</u>
Furniture and equipment	\$ 70,027	\$ 70,027
Less: Accumulated depreciation	<u>(47,041)</u>	<u>(37,703)</u>
Net furniture and equipment	\$ <u>22,986</u>	\$ <u>32,324</u>

**COUNCIL ON ALCOHOL AND DRUG ABUSE  
FOR GREATER NEW ORLEANS**  
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

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NOTE 6 - Contingencies:

Grants and contracts with funding sources often require fulfillment of certain conditions as set forth in the terms of the instrument. Failure to fulfill the conditions could result in the return of funds to the grantors. Although the return of funds is a possibility, the Board of Directors deems the contingency unlikely since CADA has agreed to comply with grantors' provisions.

NOTE 7 - Net Assets Released from Restrictions:

At June 30, 2018 and 2017, net assets in the amounts of \$109,546 and \$116,667 were released from donor restrictions by satisfying time restrictions specified by donors as follows:

	<u>2018</u>	<u>2017</u>
United Way for Greater New Orleans:		
Allocations	\$ 25,000	\$ 25,000
Designations	3,015	10,667
United Way-St. Charles	<u>81,531</u>	<u>81,000</u>
	<u>\$109,546</u>	<u>\$116,667</u>

NOTE 8 - Temporarily Restricted Net Assets:

Temporarily restricted net assets at year-end are available for operations during the subsequent year as follows:

<u>Funding Source</u>	<u>2018</u>	<u>2017</u>
United Way	<u>\$108,849</u>	<u>\$109,546</u>

**COUNCIL ON ALCOHOL AND DRUG ABUSE  
FOR GREATER NEW ORLEANS**  
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

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NOTE 9 - Unconditional Promises to Give:

Unconditional promises to give at June 30, 2018 and 2017 represent current receivables from local United Way agencies.

NOTE 10 - Concentration of Credit Risk:

At June 30, 2018 and 2017, **CADA's** cash on deposit with a financial institution was fully insured by the Federal Deposit Insurance Corporation (FDIC). Also, **CADA** maintains cash and cash equivalents with investment brokers which are fully protected by the Securities Investor Protection Corporation.

NOTE 11 - Subsequent Events:

**CADA** is required to evaluate events or transactions that may occur after the statement of financial position date for potential recognition or disclosure in the financial statements. **CADA** performed such an evaluation through December 28, 2018 the date which the financial statements were available to be issued, and noted no subsequent events or transactions that occurred after the statement of financial position date requiring recognition or disclosure.

**SUPPLEMENTARY INFORMATION**

**COUNCIL ON ALCOHOL AND DRUG ABUSE  
FOR GREATER NEW ORLEANS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2018**

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<u>Federal Grantor/Program Name</u>	<u>Federal CFDA Number</u>	<u>Activity</u>
<b><u>U.S. Department of Health and Human Services</u></b>		
<i><u>Direct Awards</u></i>		
Substance Abuse and Mental Health Services:		
HIV Capacity Building Initiative	93.243	\$ 146,888
Treatment for Racial/Ethnic Minority Populations at High-Risk for HIV/AIDS	93.243	<u>563,996</u>
Total Direct Awards		<u>710,884</u>
<i><u>Awards from a Pass-Through Entity</u></i>		
<u>Passed-Through: LA Metropolitan Human Services</u>		
<u>District (MHSD)</u>		
Block Grants for Prevention and Treatment of Substance Abuse:		
Substance Abuse Prevention Services for Children	93.959	142,001
Outreach and Intensive Case Management for Transitional Clients Released from Correctional Institutions	93.959	<u>62,489</u>
Total Passed-Through MHSD		<u>204,490</u>
<b>Total U.S. Department of Health and Human Services</b>		<u>915,374</u>
<b>Total Expenditures of Federal Awards</b>		<u><u>\$ 915,374</u></u>

NOTE: The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of CADA under programs of the federal government for the year ended June 30, 2018 and is presented on the accrual basis of accounting. The information in this schedule 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 (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts in, or used in the preparation of, the basic financial statements.

See Independent Auditors' Report on Supplementary Information.

**COUNCIL ON ALCOHOL AND DRUG ABUSE  
FOR GREATER NEW ORLEANS**  
SCHEDULE OF COMPENSATION, BENEFITS AND  
OTHER PAYMENTS TO THE EXECUTIVE DIRECTOR  
FOR THE YEAR ENDED JUNE 30, 2018

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**Executive Director Name:** Ms. Joyce Bracey

<u>Purpose</u>	<u>Amount</u>
Salary	\$90,452
Benefits – insurance	7,412
Benefits – retirement	4,553
Benefits – professional license renewal	-0-
Car allowance	-0-
Vehicle provided by government	-0-
Per diem	-0-
Reimbursements	412
Travel	348
Registration fees	-0-
Conference travel	7,337
Continuing professional education fees	-0-
License fees	176
Unvouchered expenses	-0-
Special meals	-0-

See Independent Auditors' Report on Supplementary Information.



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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

To the Board of Directors of the  
**Council on Alcohol and Drug Abuse**  
**for Greater New Orleans**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the **Council on Alcohol and Drug Abuse for Greater New Orleans (CADA)** (a nonprofit organization), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 28, 2018.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered CADA's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of CADA's internal control. Accordingly, we do not express an opinion on the effectiveness of CADA's internal control.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

(CONTINUED)

**Internal Control Over Financial Reporting, Continued**

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether CADA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

(CONTINUED)

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of CADA's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Bruno & Tervalon LLP*

**BRUNO & TERVALON LLP**  
**CERTIFIED PUBLIC ACCOUNTANTS**  
New Orleans, Louisiana

December 28, 2018



Member  
American Institute of  
Certified Public Accountants  
Society of Louisiana  
Certified Public Accountants

Alcide J. Tervalon, Jr., CPA  
Waldo J. Moret, Jr., CPA  
Paul K. Andoh, Sr., CPA  
Joseph A. Akanji, CPA

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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To the Board of Directors of the  
**Council on Alcohol and Drug Abuse**  
**for Greater New Orleans**

**Report on Compliance for Each Major Federal Program**

We have audited the **Council on Alcohol and Drug Abuse for Greater New Orleans' (CADA)** compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on **CADA's** major federal program for the year ended June 30, 2018. **CADA's** major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

---

(CONTINUED)

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance of CADA's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our 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 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 we 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 CADA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of CADA's compliance.

**Opinion on Each Major Federal Program**

In our opinion, CADA complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2018.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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(CONTINUED)

**Report on Internal Control Over Compliance**

Management of CADA is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered CADA's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the 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, we do not express an opinion on the effectiveness of CADA'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 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.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

---

(CONTINUED)

**Report on Internal Control Over Compliance, Continued**

Our 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Purpose of this Report**

The purpose of this report on internal control over compliance is solely to describe the scope of our 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. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Bruno & Tervalon LLP*

**BRUNO & TERVALON LLP**  
**CERTIFIED PUBLIC ACCOUNTANTS**  
New Orleans, Louisiana

December 28, 2018

**COUNCIL ON ALCOHOL AND DRUG ABUSE  
FOR GREATER NEW ORLEANS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2018**

---

**SECTION I.      SUMMARY OF AUDITORS' RESULTS**

- A. The type of report issued on the financial statements: **Unmodified.**
- B. Significant deficiencies in internal control were disclosed by the audit of the financial statements: **None Reported.** material weaknesses: **No.**
- C. Noncompliance which is material to the financial statements: **No.**
- D. Significant deficiencies in internal control over major programs: **None Reported.** material weaknesses: **No.**
- E. The type of report issued on compliance for major programs: **Unmodified.**
- F. Any audit findings required to be reported in accordance with Section 200.516(a) of the Uniform Guidance: **No.**
- G. Identification of Major Program:  
**United States Department of Health and Human Services**  
93.959 - Block Grants for Prevention and Treatment of Substance Abuse
- H. Dollar threshold used to distinguish between Type A and Type B programs:  
**\$750,000.**
- I. Auditee qualified as a low-risk auditee: **Yes.**
- J. A management letter was issued: **No.**

**COUNCIL ON ALCOHOL AND DRUG ABUSE  
FOR GREATER NEW ORLEANS**  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED  
FOR THE YEAR ENDED JUNE 30, 2018

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**SECTION II - FINDINGS RELATING TO THE FINANCIAL  
STATEMENTS REPORTED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

No matters reported.

**SECTION III - FINDINGS AND QUESTIONED COSTS RELATED  
TO FEDERAL AWARDS**

No matters reported.

**COUNCIL ON ALCOHOL AND DRUG ABUSE  
FOR GREATER NEW ORLEANS**  
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2018

---

**SECTION I - FINDINGS RELATING TO THE FINANCIAL  
STATEMENTS REPORTED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

No matters reported.

**SECTION II - FINDINGS AND QUESTIONED COSTS RELATED  
TO FEDERAL AWARDS**

No matters reported.

**SECTION III - MANAGEMENT LETTER**

No comments reported.

**COUNCIL ON ALCOHOL AND DRUG ABUSE  
FOR GREATER NEW ORLEANS**

**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLYING STATEWIDE AGREED-UPON PROCEDURES**

**FOR THE YEAR ENDED JUNE 30, 2018**



Member  
American Institute of  
Certified Public Accountants  
Society of Louisiana  
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Alcide J. Tervalon, Jr., CPA  
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**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLYING STATEWIDE AGREED-UPON PROCEDURES**

---

To the Board of Directors of **Council on Alcohol and  
Drug Abuse for Greater New Orleans**  
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by **Council on Alcohol and Drug Abuse for Greater New Orleans (CADA)** 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 through June 30, 2018. **CADA's** management is responsible for those control and compliance areas identified in the SAUPs.

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

**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLYING STATEWIDE AGREED-UPON PROCEDURES  
(CONTINUED)**

**PROCEDURES AND FINDINGS**

The procedures and findings related to the Statewide Agreed-Upon Procedures are as follows:

**Written Policies and Procedures**

1. We obtained CADA's written policies and procedures and observed that they address each of the following categories and subcategories (if applicable to public funds and CADA's operations):

- a) Budgeting, including preparing, adopting, monitoring, and amending the budget.

*No exceptions were noted.*

- b) Purchasing, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

*CADA's purchasing policy does not address how vendors are added to the vendor list and documentation required to be maintained for all bids and price quotes.*

**Management's Response**

**CADA will update the purchasing policy to include the process for adding vendors to the accounting system and having the Executive Director review and sign the vendor list each month.**

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

*No exceptions were noted.*

- d) Receipts, 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 cut-off procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

*No exceptions were noted.*

**INDEPENDENT ACCOUNTANTS' REPORT**  
**ON**  
**APPLYING STATEWIDE AGREED-UPON PROCEDURES**  
**(CONTINUED)**

- e) Payroll/Personnel, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

*No exceptions were noted.*

- 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.

*CADA's contracting policy does not address (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.*

**Management's Response**

**CADA will update its contracting policy to address the aforementioned processes for contracts, including what types of services require contracts, review and monitoring process, etc.**

- g) Credit Cards, 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.

*No exceptions were noted.*

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

*No exceptions were noted.*

- i) Ethics, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.

*Ethics requirements are not applicable to this nonprofit organization.*

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

*Debt requirements are not applicable to nonprofits.*

**INDEPENDENT ACCOUNTANTS' REPORT**  
**ON**  
**APPLYING STATEWIDE AGREED-UPON PROCEDURES**  
**(CONTINUED)**

**Board (or Finance Committee, if applicable)**

2. We 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.*

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

*No exceptions were noted.*

- c) For governmental entities, obtained the prior year audit report and observed the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observed that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

*This procedure is not applicable.*

**Bank Reconciliations**

3. We obtained a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. We asked management to identify CADA's main operating account. We selected CADA's operating account and randomly selected one (1) month from the fiscal period. We obtained and inspected the corresponding bank statement and reconciliation for this account, and observed that:

- a) Bank reconciliations include evidence that they were prepared within two (2) months of the related statement closing date (e.g., initialed and dated, electronically logged);

*No exceptions were noted.*

**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLYING STATEWIDE AGREED-UPON PROCEDURES  
(CONTINUED)**

- 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);

*No exceptions were noted.*

- 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.

*We noted the bank reconciliations for the Operating account had ten (10) reconciling items older than twelve (12) months; however, there was no documentation reflecting management researched these items.*

**Management's Response**

**CADA will add a bank reconciliation policy that will explain the process for handling outstanding checks, which will ensure that outstanding items are properly researched and resolved.**

**Cash Collections**

4. We 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.

*No exceptions were noted.*

5. For CADA's only deposit site, we obtained a listing of collection locations and management's representation that the listing is complete. We randomly selected one (1) location for the deposit site, obtained and inspected the written policies and procedures relating to employee job duties at the collection location, and observed 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.*

- 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.*

**INDEPENDENT ACCOUNTANTS' REPORT**  
**ON**  
**APPLYING STATEWIDE AGREED-UPON PROCEDURES**  
**(CONTINUED)**

- 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.*

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

*No exceptions were noted.*

6. We inquired of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

*No exceptions were noted.*

7. We randomly selected two (2) deposit dates for each of the four (4) bank accounts selected for procedure #3 under "Bank Reconciliations" above. We then obtained supporting documentation for each of the eight (8) deposits and:

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

*No exceptions were noted.*

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

*No exceptions were noted.*

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

*No exceptions were noted.*

**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLYING STATEWIDE AGREED-UPON PROCEDURES  
(CONTINUED)**

- d) Observed that the deposit was made within one (1) business day of receipt at the collection location (within one week if the depository is more than ten (10) miles from the collection location or the deposit is less than \$100).

*We noted one (1) of two (2) deposits tested were made more than one (1) business day after receipt.*

**Management's Response**

**Because of limited staff, CADA's policy is that checks are deposited within one week of receipt. CADA will look into getting a check scanner from the bank, so that checks may be deposited in the office as soon as they are received.**

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

*No exceptions were noted.*

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

8. We obtained a listing of locations that process payments for the fiscal period and management's representation that the listing is complete.

*No exceptions were noted.*

9. For the one (1) location identified under #8 above, we obtained a listing of those employees involved with non-payroll purchasing and payment functions. We obtained written policies and procedures relating to employee 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.*

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

*No exceptions were noted.*

**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLYING STATEWIDE AGREED-UPON PROCEDURES  
(CONTINUED)**

- 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.

*We noted that the employee responsible processing payments is also responsible for adding/modifying vendor files and no other employee is responsible for periodically reviewing changes to vendor files.*

**Management's Response**

**CADA will update the purchasing policy to include the process for adding vendors to the accounting system and having the Executive Director review and sign the vendor list each month.**

- 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.

*We noted that the officials responsible for signing checks returns the signed checks to the employee responsible for processing payments to be mailed.*

**Management's Response**

**This process has already been corrected with the addition of an Accounting Assistant. The Accounting Assistant processes signed checks for mailing. The payment processing policy will be updated to reflect that the accounting assistant enters checks into the system. The Finance Director cuts the checks. The Executive Director signs the checks and returns them to the Accounting Assistant for mailing.**

10. For each location selected under #8 above, we obtained the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtained management's representation that the population is complete. We randomly select five (5) disbursements for each location, obtained supporting documentation for each transaction and:

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

*No exceptions were noted.*

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

*No exceptions were noted.*

**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLYING STATEWIDE AGREED-UPON PROCEDURES  
(CONTINUED)**

**Contracts**

11. We 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. We obtained management's representation that the listing is complete. We randomly selected five (5) contracts from the listing, and:

- a) We observed that the contract was bid in accordance with the Louisiana Public Bid Law, if required by law.

*None of the contracts reviewed were subject to Louisiana Public Bid Law, therefore this procedure is not applicable.*

- b) We observed that the contract was approved by the governing body/board, if required by policy or law.

*None of the contracts reviewed were required by policy or law to be approved by the governing board, therefore this procedure is not applicable.*

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

*None of the contracts reviewed were amended, therefore this procedure is not applicable.*

- d) We randomly selected one (1) payment from the fiscal period for each of the five (5) contracts, obtained the supporting invoice, agreed the invoice to the contract terms, and observed that the invoice and related payment agreed to the terms and conditions of the contract.

*No exceptions were noted.*

**Other**

12. We obtained a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. We selected all misappropriations on the listing, obtained supporting documentation, and observed that CADA reported the misappropriations to the Louisiana Legislative Auditor and the District Attorney of Orleans Parish.

*No misappropriations of public funds or assets were reported during the period.*

**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLYING STATEWIDE AGREED-UPON PROCEDURES  
(CONTINUED)**

13. We observed that CADA 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.*

14. If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.

*No exceptions were noted.*

\*\*\*\*\*

We were not engaged to and did not perform an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those control and compliance areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those control and compliance areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



**BRUNO & TERVALON LLP**  
**CERTIFIED PUBLIC ACCOUNTANTS**  
New Orleans, Louisiana

December 28, 2018