

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

SHREVEPORT, LOUISIANA

FINANCIAL STATEMENTS

June 30, 2025

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 Audit of the Financial Statements***

#### ***Opinion***

I have audited the accompanying financial statements of Council on Alcoholism and Drug Abuse of Northwest Louisiana (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In 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, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Council on Alcoholism and Drug Abuse of Northwest Louisiana and to meet my other ethical responsibilities in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Council on Alcoholism and Drug Abuse of Northwest Louisiana's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

#### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, I:

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

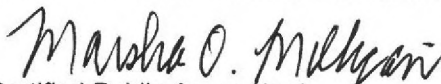
I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that I identified during the audit.

#### **Report on Supplementary Information**

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of State Contracts on page 15 and the Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head on page 16 are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying Schedule of Expenditures of Federal Awards on page 17 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*, and also 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 my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

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

In accordance with *Government Auditing Standards*, I have also issued my report dated March 9, 2026, on my consideration of Council on Alcoholism and Drug Abuse of Northwest Louisiana's internal control over financial reporting and on my tests of its compliance with certain provisions of law, regulations, contract, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Council on Alcoholism and Drug Abuse of Northwest Louisiana's internal control over financial reporting and compliance.



Certified Public Accountant  
March 9, 2026

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

## Statement of Financial Position

June 30, 2025

## ASSETS

## CURRENT ASSETS

Cash and Cash Equivalents	\$ 389,430
Grants and Contracts Receivable	920,433
Prepaid Expenses	100,155
Total Current Assets	<u>1,410,018</u>

## PROPERTY AND EQUIPMENT

1,917,432

## OTHER ASSETS

Operating Lease Right to Use Assets, net	29,080
Investment	7,671
Total Other Assets	<u>36,751</u>
Total Assets	<u><u>\$ 3,364,201</u></u>

## LIABILITIES AND NET ASSETS

## CURRENT LIABILITIES

Accounts Payable and Accrued Expenses	\$ 146,933
Current Portion of Operating Lease Liabilities	12,322
Compensated Absences Payable	64,012
Unearned Reveal	33,638
Total Current Liabilities	<u>256,905</u>

## LONG-TERM LIABILITIES

Operating Lease Liabilities - Less Current Portion	16,900
Total Liabilities	<u>273,805</u>

## NET ASSETS (Note 7)

With donor restrictions	33,638
Without donor restrictions	3,056,758
Total Net Assets	<u>3,090,396</u>
Total Liabilities and Net Assets	<u><u>\$ 3,364,201</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, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUE:</b>			
<b>Support</b>			
Contributions	\$ 474,082	\$ 22,000	\$ 496,082
Total Support	474,082	22,000	496,082
<b>Revenues:</b>			
Client Fees	36,347	-	36,347
Program Service Fees	3,180,637	1,528,922	4,709,559
Rental Revenue	39,000	-	39,000
Miscellaneous	74,386	-	74,386
Total Revenues	3,330,370	1,528,922	4,859,292
Total Support and Revenue	3,804,452	1,550,922	5,355,374
<b>Net Assets Released from Restrictions:</b>			
Satisfaction of Usage Restrictions	1,542,909	(1,542,909)	-
Total Support and Revenue	5,347,361	8,013	5,355,374
<b>EXPENSES</b>			
Program Expenses	4,171,790	-	4,171,790
Management and General	472,861	-	472,861
Total Expenses	4,644,651	-	4,644,651
Change in Net Assets	702,710	8,013	710,723
Net assets, beginning of year	2,354,048	25,625	2,379,673
Net assets, end of year	<u>\$ 3,056,758</u>	<u>\$ 33,638</u>	<u>\$ 3,090,396</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, 2025

	Addition Recovery Clinic	Adult Low Intensity	3.5 High Intensity Adult	Recovery Living Transition Stipend
Salaries	\$ 362,163	\$ 350,683	\$ 1,048,675	\$ 23,487
Payroll Taxes	31,423	28,190	100,690	2,257
Bad Debts	-	-	-	-
Contract Services	-	-	-	54,756
Equipment Rent/Lease	2,195	3,296	9,685	372
Utilities & Telephone	38,959	37,421	137,029	5,195
Auto Expense	452	3,518	10,387	4,722
Insurance	55,410	37,303	98,045	10,938
Training & Travel	2,610	614	2,538	15
Food	2,261	58,226	170,736	27
Maintenance & Repair	5,719	-	64,433	855
Supplies	9,735	13,508	52,970	475
Printing & Literature	404	159	620	60
Depreciation	1,064	26,667	9,409	180
Professional Services	11,479	14,739	47,983	440
Advertising/Promotion	3,691	2,501	10,451	1,831
Interest	133	200	587	23
Miscellaneous	3,988	3,250	9,316	304
Total	<u>\$ 531,686</u>	<u>\$ 580,275</u>	<u>\$ 1,773,554</u>	<u>\$ 105,937</u>

The accompanying notes are an integral part of these statements.

Family Program TANF	Crisis Mobile Response Services	LaSOR Mobile Crisis	Management and General	Total
\$ 169,368	\$ 308,262	\$ 137,592	\$ 174,620	\$ 2,574,850
16,600	24,661	12,162	15,062	231,045
-	-	-	30,846	30,846
-	-	-	-	54,756
1,053	1,765	469	5,656	36,020
12,064	49,683	11,809	50,475	331,106
3,431	8,630	1,955	-	33,095
24,428	53,586	20,586	36,361	336,657
1,260	6,341	3,903	7,518	24,799
17,104	453	155	464	249,426
91,279	33,207	1,101	14,870	211,464
51,376	5,161	2,617	6,247	142,089
986	1,055	69	544	3,897
24,711	28,329	227	52,962	143,549
5,968	27,835	1,055	19,023	128,522
277	4,516	2,426	5,814	31,507
64	107	28	1,406	2,548
1,400	8,005	1,219	50,993	78,475
<u>\$ 421,369</u>	<u>\$ 561,596</u>	<u>\$ 197,373</u>	<u>\$ 472,861</u>	<u>\$ 4,644,651</u>

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

## Statement of Cash Flows

For the Year Ended June 30, 2025

## CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ 710,723
Adjustments to reconcile net assets to net cash provided by operating activities:	
Depreciation	143,549
Amortization of right to use asset	11,866
Changes in Assets and Liabilities:	
Increase in Grants and Contracts Receivable	(291,866)
Increase in Prepaid Expenses	(16,033)
Decrease in Other Assets	718
Decrease in Bank Overdraft	(216,916)
Increase in Accounts Payable and Accrued Expenses	8,151
Decrease in Compensated Absences Payable	(30,569)
Decrease in Operating Lease Liabilities	(11,723)
Increase in Unearned Revenue	8,013
Net cash provided by operating activities	<u>315,913</u>
CASH FLOWS USED BY FINANCING ACTIVITIES:	
Payments on debt	<u>(50,379)</u>
Net cash used by financing activities	<u>(50,379)</u>
CASH FLOWS USED BY INVESTING ACTIVITIES:	
Purchase of Fixed Assets	<u>(253,193)</u>
Net cash used by investing activities	<u>(253,193)</u>
Net increase in cash	12,341
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>377,089</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>389,430</u></u>
Supplemental disclosures of cash flow information:	
Cash paid during the year for interest expense	<u><u>\$ 2,548</u></u>

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, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. General:

Council on Alcoholism and Drug Abuse of Northwest Louisiana (the Council) is a nonprofit organization whose mission is to heighten public awareness that alcohol and drug addictions are preventable and treatable diseases, and to provide programs for long-term treatment for adults.

B. Basis of Accounting:

The accompanying financial statements have been presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Board (FASB) and related Accounting Updates (ASUs).

C. Net Assets:

The Council reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Council, the environment in which it operates,, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into the course of its operations.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

#### D. Measure of Operations:

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

#### E. Cash and Cash Equivalents:

Cash and cash equivalents include cash and all highly liquid investments with an original maturity of 90 days or less.

#### 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. Revenue Recognition

Revenue from program service fees and payments under certain contracts is recognized as revenue when performance obligations under the terms of the contracts with customers are satisfied. Revenue received in advance is deferred and recognized over the periods to which the dates and fees relate.

Contributions are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly removed the conditions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as net assets with donor restrictions and net assets released from restrictions.

#### H. Estimates:

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

#### I. Accounts Receivable

Accounts receivable are stated at unpaid balances, less an allowance for credit losses.

J. Allowance for Credit Losses:

Management evaluates its receivables on an ongoing basis by analyzing customer relationships and previous payment histories. The allowance for credit losses is management's best estimate of the amount of expected credit losses in the existing accounts based on current market conditions. Historically, losses on uncollectible accounts have been within management's expectations. The allowance for credit losses is reviewed on a periodic basis to ensure there is sufficient reserve to cover any potential credit losses. When receivables are considered uncollectible, they are charged against the allowance for credit losses. Collections on accounts previously written off are included in the change in net assets as received.

K. Leases:

The Council leases equipment and determines if an arrangement is a lease at inception. Operating leases are included as right-of-use (ROU) assets for operating leases and lease liabilities for operating leases on the statement of financial position.

ROU assets represent the Council's right to use an underlying asset for the related lease term and lease liabilities represent the Council's obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease terms. As most of these leases do not provide an implicit rate, the Council uses a risk-free rate based on the information available at the commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain the Council will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease terms.

The lease agreements do not contain any material residual value guarantee or material restrictive covenants.

L. Functional Expense:

The cost 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. The expenses that are allocated include the following:

Expense	Method of Allocation
Salaries	Time and Effort
Payroll Taxes	Time and Effort
Bad Debts	Full Time Equivalent

L. Functional Expense: (Continued)

Expense	Method of Allocation
Equipment Rent/Lease	Full Time Equivalent
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	Full Time Equivalent
Miscellaneous	Time and Effort

2. REVENUE RECOGNITION:

In accordance with Topic 606, the Council recognizes revenue at a point in time for program fees from certain treatment services paid by clients and third-party payers such as Medicaid and other insurers. As of June 30, 2025, the Council had no outstanding performance obligations related to program service fees.

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

**Disaggregated Revenue**

Approximately 71% of revenue is earned at a point in time, consisting of program service revenue. The remaining revenue is recognized under Topic 958.

Topic 606 revenue	\$3,792,062
Topic 958 revenue	<u>1,563,312</u>
	<u>\$5,355,374</u>

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

Contracts receivable for Topic 606 revenue at June 30, 2025 totaled \$864,907.

Contracts receivable for Topic 606 revenue at June 30, 2024 totaled \$985,679.

3. CASH:

At June 30, 2025, the carrying amount of the Council's deposits was \$389,430, including cash on hand of \$400, while bank balances totaled \$468,206. The difference is due to outstanding checks and deposits at year end. Deposits of \$344,560 were insured by FDIC insurance and deposits of \$123,646 were collateralized by securities held in the Council's name.

4. AVAILABILITY AND LIQUIDITY:

The following represents the Council's financial assets at June 30, 2025:

Financial assets at year end	
Cash and equivalents	\$ 389,430
Grants and contracts receivable	<u>920,433</u>
Total financial assets	\$ 1,309,863
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>33,638</u>
Financial assets available to meet general expenditures over the next twelve months	<u><u>\$ 1,276,225</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.

5. GRANTS AND CONTRACTS RECEIVABLE:

Grants and contracts receivable at June 30, 2025 are as follows:

State of Louisiana	\$ 868,907
Insurance Receivable	<u>801,650</u>
Total Receivables	1,670,557
Less: Allowance for Credit Losses	<u>(750,124)</u>
Net Receivables	<u><u>\$ 920,433</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 credit losses. The balance in the allowance account at June 30, 2025 was \$750,124.

6. FIXED ASSETS:

Fixed assets at June 30, 2025 consisted of the following:

Building	\$ 1,717,359
Leasehold Improvements	1,654,644
Furniture and Fixtures	127,133
Equipment and Vehicles	<u>1,416,210</u>
Total Costs	4,915,346
Less Accumulated Depreciation	<u>(2,997,914)</u>
Property and Equipment - Net	<u><u>\$ 1,917,432</u></u>

7. NET ASSETS:

Net assets with donor restrictions for the year ended June 30, 2025, were as follows:

Specific purpose	<u><u>\$ 33,638</u></u>
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Net assets without donor restrictions for the year ended June 30, 2025, were as follows:

Undesignated	<u>\$ 3,056,758</u>
Total net assets without donor restrictions	<u><u>\$ 3,056,758</u></u>

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

	<u>2025</u>
Satisfaction of Purpose Restrictions	
Outpatient Services	\$ 51,561
EAP Contract	29,258
HPBA Contract	58,250
Start Up TANF Program	300,000
TANF 3.3	72,075
Adult High Intensity	225,729
Recovery Living Transition Stipend	113,751
LASOR Mobile Crisis	157,903
Crisis Mobile Response Services	<u>520,395</u>
Total	<u><u>\$ 1,528,922</u></u>

8. DONATED MATERIAL AND SERVICES:

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

9. LINE OF CREDIT:

The Council has available an unsecured line of credit bearing interest at a rate of 4.65%. Total available credit was \$50,000. No draws or payments were made on the line of credit for the year ended June 30, 2025.

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, 2025 totaled \$31,507.

11. RELATED PARTY TRANSACTIONS:

The Council owns a 95% interest in the Buckhalter Limited Partnership valued at \$7,671.

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, 2025, 52% of accounts receivable were due from one funding source; 56% of revenue was provided by one funding source.

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, 2023 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. LEASES:

Other than short-term leases, the Council has operating leases for equipment. The leases have remaining lease terms of three to three and a half years. As of June 30, 2025, assets recorded under operating leases was \$29,080.

The Company has elected to apply the short-term lease exception to all leases with a term of one year or less.

Operating lease expense	\$13,212
Cash paid for amounts included in the measurement of lease and liabilities Operating leases	\$13,212
Weighted average remaining term (in years) Operating leases	3.50
Weighted average discount rate Operating leases	4.30%

Future minimum lease payments under non-cancellable leases for the year ended June 30, 2025 are as follows:

<u>Year Ended June 30</u>	<u>Total</u>
2026	\$ 13,212
2027	7,156
2028	7,156
2029	3,578
Total	<u>31,102</u>
Less: Present Discount Value	<u>(1,880)</u>
Present Value of Lease Liabilities	<u>\$ 29,222</u>

15. SUBSEQUENT EVENTS:

Management has evaluated subsequent events through March 9, 2026, the date the financial statements were available to be issued, and have determined no additional disclosures are warranted.

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

Schedule of State Contracts

For the Year Ended June 30, 2025

<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	\$ 53,500	\$ 51,561	\$ 51,561
LaSOR - Mobile Crisis	194,199	157,903	157,903
Rent Stipend Program	249,989	113,751	113,751
TANF 3.3 Services	242,725	72,075	72,075
High Intensity Residential Adult	231,990	225,729	225,729
Crisis Mobile Response Team	522,500	520,395	520,395
TANF Start Up Program	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>
Totals	<u>\$ 1,794,903</u>	<u>\$ 1,441,414</u>	<u>\$ 1,441,414</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, 2025

Period as Agency Head

Janet Miller, Executive Director

Salary	\$	<u>125,000</u>
Payroll Taxes	\$	<u>9,563</u>
Insurance	\$	<u>13,106</u>
Seminars	\$	<u>-</u>
Reimbursements	\$	<u>-</u>

COUNCIL ON ALCOHOLISM AND DRUG ABUSE  
OF NORTHWEST LOUISIANA

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2025

FEDERAL GRANTOR/ PROGRAM TITLE	ASSISTANCE LISTING NUMBER	PROGRAM OR AWARD AMOUNT	REVENUE RECOGNIZED	EXPENDITURES	PAYMENTS TO SUBRECIPIENTS
<u>U. S. Department of Health and</u>					
<u>Human Services Passed</u>					
<u>through the Louisiana Department</u>					
<u>of Health and Hospitals</u>					
Adult High Intensity Residential	93.959	\$ 231,990	\$ 225,729	\$ 225,729	\$ -
Temporary Assistance for Needy Families	93.558	242,725	72,075	72,075	-
Start-Up TANF Program	93.558	300,000	300,000	300,000	-
Subtotal ALS #93.558		<u>542,725</u>	<u>372,075</u>	<u>372,075</u>	<u>-</u>
Crisis Mobile Response Team	93.788	522,500	520,395	520,395	-
LaSOR Mobile Crisis	93.788	194,199	157,903	157,903	-
Subtotal ALS #93.788		<u>716,699</u>	<u>678,298</u>	<u>678,298</u>	<u>-</u>
Total - U.S. Dept of Health and Human Services		<u>1,491,414</u>	<u>1,276,102</u>	<u>1,276,102</u>	<u>-</u>
Total - All Federal Awards		<u>\$1,491,414</u>	<u>\$ 1,276,102</u>	<u>\$ 1,276,102</u>	<u>\$ -</u>

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

Notes to the Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2025

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 de minimis indirect cost rate as allowed under the Uniform Guidance.



# 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, 2025, and related notes to financial statements, which collectively comprise the Council's basic financial statements, and have issued my report thereon dated March 9, 2026.

## **Report on Internal Control Over Financial Reporting**

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

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

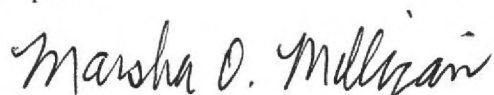
My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during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

### **Report on 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 of compliance or other matters that is 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.

A handwritten signature in cursive script that reads "Marsha O. Milligan".

Certified Public Accountant

March 9, 2026



# Marsha O. Millican

A PROFESSIONAL ACCOUNTING CORPORATION

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

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

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

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

I have audited Council on Alcoholism and Drug Abuse of Northwest Louisiana's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Council on Alcoholism and Drug Abuse of Northwest Louisiana, Inc.'s major federal programs for the year ended June 30, 2025. Council on Alcoholism and Drug Abuse of Northwest Louisiana's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In my opinion, Council on Alcoholism and Drug Abuse of Northwest Louisiana 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, 2025.

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

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) My responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of my report.

I am required to be independent of Council on Alcoholism and Drug Abuse of Northwest Louisiana and to meet my other ethical responsibilities, in accordance with relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion on compliance for each major federal program. My audit does not provide a legal determination of Council on Alcoholism and Drug Abuse of Northwest Louisiana's compliance with the compliance requirements referred to above.

#### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Council on Alcoholism and Drug Abuse of Northwest Louisiana's federal programs.

#### ***Auditor's Responsibilities for the Audit of Compliance***

My objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Council on Alcoholism and Drug Abuse of Northwest Louisiana's compliance based on my audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in

accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Council on Alcoholism and Drug Abuse of Northwest Louisiana's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Council on Alcoholism and Drug Abuse of Northwest Louisiana's compliance with the compliance requirements referred to above and performing such other procedures as I considered necessary in the circumstances.
- Obtain an understanding of Council on Alcoholism and Drug Abuse of Northwest Louisiana, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Council on Alcoholism and Drug Abuse of Northwest Louisiana's internal control over compliance. Accordingly, no such opinion is expressed.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that I identified during the audit.

### **Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during my audit I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

My audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

*Marsha O. Mellican*

Certified Public Accountant

March 9, 2025

COUNCIL ON ALCOHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2025

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 the major federal award programs are reported.
5. The auditor's report on compliance for the major federal award program 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>Assistance Listing Number</u>	<u>Program</u>
93.788	Opiod STR

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

B - Findings - Financial Statement Audit

None.

C- Findings and Questioned Costs - Major Federal Programs

None.

COUNCIL ON ALOCHOLISM AND DRUG ABUSE OF NORTHWEST LOUISIANA

Corrective Action Taken on Prior Year Findings

For the Year Ended June 30, 2025

There were no findings for the year ended June 30, 2024.