

**The Coordinating and Development Corporation  
Bossier City, Louisiana**

**Financial Statements With Auditors' Report**

**As of and for the Year Ended June 30, 2023**

The Coordinating and Development Corporation  
Bossier City, Louisiana

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# COOK & MOREHART

*Certified Public Accountants*

1215 HAWN AVENUE • SHREVEPORT, LOUISIANA 71107 • P.O. BOX 78240 • SHREVEPORT, LOUISIANA 71137-8240

TRAVIS H. MOREHART, CPA  
VICKIE D. CASE, CPA

TELEPHONE (318) 222-5415

FAX (318) 222-5441

STUART L. REEKS, CPA  
J. PRESTON DELAUNE, CPA

MEMBER  
AMERICAN INSTITUTE  
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

## Independent Auditors' Report

To the Board of Directors  
The Coordinating and Development Corporation  
Bossier City, Louisiana

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of The Coordinating and Development Corporation, (a nonprofit organization), which comprise the statements of financial position as of June 30, 2023, 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 our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Coordinating and Development Corporation as of June 30, 2023, 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***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Coordinating and Development Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the 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 The Coordinating and Development Corporation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our 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 auditors' report that includes our 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 GAAS 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 GAAS and *Government Auditing Standards*, we:

- 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 of the effectiveness of The Coordinating and Development Corporation'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 our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Coordinating and Development Corporation's ability to continue as a going concern for a reasonable period of time.

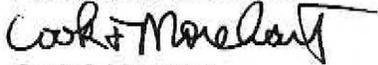
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, shown on page 15, and the supplemental information schedule presented on page 16, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our 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*, we have also issued our report dated December 7, 2023, on our consideration of The Coordinating and Development Corporation'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 solely 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 the effectiveness of The Coordinating and Development Corporation's 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 The Coordinating and Development Corporation's internal control over financial reporting and compliance.



Cook & Morehart  
Certified Public Accountants  
December 7, 2023

The Coordinating and Development Corporation  
 Bossier City, Louisiana  
 Statement of Financial Position  
 June 30, 2023

Assets

Current assets:

Cash and cash equivalents	\$ 333,380
Grants receivable	198,418
Accounts receivable - other	47,370
Restricted cash	176,143
Total current assets	755,311

Noncurrent assets:

Operating lease right-of-use assets	517,522
Depreciable property and equipment, net	50,924
Non-depreciable property and equipment	74,786
Net property and equipment	643,232

Total Assets	\$ 1,398,543
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Liabilities and Net Assets

Current liabilities:

Accounts payable	\$ 172,631
Accrued liabilities	157,626
Right-of-use operating lease liabilities, current	225,317
Refundable advance	189,873
Total current liabilities	745,447

Right-of-use operating lease liabilities, less current portion	292,205
Total liabilities	1,037,652

Net assets:

Without donor restrictions	360,891
Total net assets	360,891

Total Liabilities and Net Assets	\$ 1,398,543
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The accompanying notes are an integral part of the financial statements.

The Coordinating and Development Corporation  
 Bossier City, Louisiana  
 Statement of Activities  
 For the Year Ended June 30, 2023

	Without Donor Restrictions
Revenues and Other Support:	
Contractual revenue - grants	\$ 3,633,970
Service fees	126,220
Membership fees	269,285
Miscellaneous	90,386
Interest income	1,314
Total revenues and other support	4,121,175
Expenses:	
Program services:	
Workforce innovation and development	2,868,117
Economic development	146,872
Community development	300,326
General and administrative expenses	834,642
Total expenses	4,149,957
Change in net assets	(28,782)
Net assets, beginning of year, restated	389,673
Net assets, end of year	\$ 360,891

The accompanying notes are an integral part of the financial statements.

The Coordinating and Development Corporation  
 Bossier City, Louisiana  
 Statement of Functional Expenses  
 For the Year Ended June 30, 2023

	Program Services			Support Services		
	Workforce Innovation and Opportunity	Economic Development	Community Development	Total Program	General and Administrative	Total
Expenses						
Advertising	\$ 579	\$ 7	\$ 1,085	\$ 1,671	\$ 628	\$ 2,299
Classroom training	862,350			862,350		862,350
Depreciation					18,178	18,178
Dues & subscriptions	220			220	330	550
Employer based training	42,981			42,981		42,981
Equipment	11,784	382	1,713	13,879	9,531	23,410
Fringe	351,621	35,808	67,189	454,618	229,187	683,805
Insurance	2,898	67	285	2,950	34,986	37,936
One Stop Operator	18,117			18,117	482	18,599
Occupancy	170,517		20,528	191,045	41,695	232,740
Printing and postage	1,648	53	2,122	3,823	4,768	8,591
Professional development	14,603	1,395	311	16,309	4,414	20,723
Professional fees	58,220	2,853	28,584	89,657	78,450	168,107
Salaries	1,077,019	102,828	169,416	1,349,263	281,718	1,630,981
Supplies	48,964	482	2,499	51,945	26,689	78,634
Telephone	35,986	1,940	1,098	39,024	6,281	45,305
Travel	35,129	20	5,295	40,444	22,503	62,947
WIOA support services	110,223			110,223	1,130	111,353
Work experience	24,297			24,297		24,297
Miscellaneous	1,261	1,037	201	2,499	73,672	76,171
<b>Total Expenses</b>	<b>\$ 2,868,117</b>	<b>\$ 146,872</b>	<b>\$ 300,326</b>	<b>\$ 3,315,315</b>	<b>\$ 834,642</b>	<b>\$ 4,149,957</b>

The accompanying notes are an integral part of the financial statements.

The Coordinating and Development Corporation  
 Bossier City Louisiana  
 Statement of Cash Flows  
 For the Year Ended June 30, 2023

Operating Activities

Change in net assets	\$ (28,782)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:	
Depreciation	18,178
Amortization on operating leases	218,928
(Increase) decrease in operating assets:	
Accounts receivable - grants	(198,418)
Accounts receivable - other	78,879
Increase (decrease) in operating liabilities:	
Accounts payable	39,605
Accrued liabilities	161,527
Refundable advance	189,873
Repayments of operating lease liabilities	(218,928)
Net cash provided by operating activities	260,862

Investing Activities

Payments for property and equipment	(74,784)
Net cash (used) in investing activities	(74,784)

Net increase in cash 186,078

Cash and cash equivalents as of beginning of year 323,445

Cash and cash equivalents as of end of year \$ 509,523

Cash and cash equivalents are reflected on the Statement  
of financial position as follows:

Cash and cash equivalents	\$ 333,380
Cash and cash equivalents - restricted	176,143
Total	\$ 509,523

The accompanying notes are an integral part of the financial statements.

The Coordinating and Development Corporation  
Bossier City, Louisiana  
Notes to Financial Statements  
June 30, 2023

(1) Summary of Significant Accounting Policies

A. Nature of Activities

The Coordinating and Development Corporation (CDC) is a private, not-for-profit, member-supported corporation that serves the economic, community, workforce, transportation, and business development needs of ten parishes in Northwest Louisiana, which include Bienville, Bossier, Caddo, Claiborne, DeSoto, Lincoln, Natchitoches, Red River, Sabine, and Webster. It is governed by an elected Board of Directors and provides business, industrial and economic development to both the private sectors and area governments.

The following programs, shown with their approximate percentage of total revenues indicated, are administered by CDC:

Workforce Innovation and Opportunity Act (WIOA) (79%) – provides programming for Adult, Youth, and Dislocated Worker participants to access employment, education, training, and support services to succeed in the labor market. Funding is provided by federal funds passed through the Louisiana Workforce Commission.

Economic Development (2%) – provides programming designed to aid in economic growth in the surrounding ten parish area. Funding is provided by a Cooperative Endeavor Agreement with the Louisiana Association of Planning and Development and federal funds through the Economic Development Administration.

Community Development (14%) – provides administrative services for entities receiving Louisiana Community Development Block Grant (LCDBG) funds. Funding is provided by Community Development Block Grant Disaster Recovery Program through the Louisiana Division of Administration, Office of Community Development, and fees from entities for which CDC provides administrative services.

General and Administrative (5%) – provides for the administrative costs related to the Workforce Innovation and Opportunity Act, as well as other costs not specifically allocated to other grants/contracts. Funding is provided by various miscellaneous revenue sources.

B. Basis of Accounting

The financial statements of the CDC have been prepared on the accrual basis of accounting.

C. Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards. Under those standards, the Organization is required to report information regarding its financial position and activities according to two classes of net assets:

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

(Continued)

The Coordinating and Development Corporation  
Notes to Financial Statements  
June 30, 2023  
(Continued)

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

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities. The CDC has adopted a policy to classify donor restricted contributions as without donor restrictions to the extent that donor restrictions were met in the year the contribution was received.

D. Income Tax Status

The CDC is a tax-exempt organization as described in Section 501(c)(4) of the Internal Revenue Code, and therefore, is not subject to income taxes. However, income from certain activities not directly related to the CDC's tax-exempt purpose is subject to taxation as unrelated business income. The CDC had no such income for this audit period. The Organization's Form 990, Return of Organization Exempt from Income Tax, for the years ended June 30, 2020, 2021, 2022, and 2023 are subject to examination by the IRS, generally three years after they were filed.

E. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported revenues and expenses. Actual results could differ from those estimates.

F. Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, the CDC considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

G. Property and Equipment

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful life of each asset. The Federal government has a reversionary interest in property purchased with federal funds. Its disposition as well as the ownership of any proceeds there from is subject to federal regulations. The CDC has adopted a policy to capitalize expenditures for property and equipment with a unit cost of \$2,500 or more.

H. Contributions

Contributions received are recorded as increases in net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions. When restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. In the absence of donor restrictions to the contrary, restrictions on contributions of property or equipment or on assets restricted to acquiring property or equipment expire when the property or equipment is placed in service.

(Continued)

The Coordinating and Development Corporation  
Bossier City, Louisiana  
Notes to Financial Statements  
June 30, 2023  
(Continued)

I. Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities and the statement of functional expense. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Costs are directly charged to the function they benefit. Facility related expenses are allocated to each function based upon square footage utilized by the function.

J. Compensated Absences

Employees may accrue paid time off up to 240 hours, based on the employees' years of service. Employees may not carry over any unused paid time off. Upon an employee's separation of employment, earned and/or accrued paid time off will be paid up to the employees remaining balance.

(2) Concentrations of Credit Risk

Financial instruments that potentially subject the CDC to concentrations of credit risk consist principally of temporary cash investments, grants receivable, and accounts receivable. Concentrations of credit risk with respect to accounts receivable and grants receivable are limited due to the receivables being small in nature and from several different entities and amounts due from governmental agencies under contractual terms. As of June 30, 2023, CDC had no significant concentrations of credit risk in relation to grant receivables. The CDC maintains cash balances at financial institutions. The Federal Deposit Insurance Corporation (FDIC) insures accounts up to \$250,000 at financial institutions. The CDC had uninsured cash balances of \$358,139 at June 30, 2023.

(3) Adoption of New Accounting Pronouncement

Effective July 1, 2022, the CDC adopted FASB ASC 842, *Leases*. The CDC determines if an arrangement contains a lease at inception based on whether the Organization has the right to control the asset during the contract period and other facts and circumstances. The Organization elected the package of practical expedients permitted under the transition guidance within the new standard, which among other things, allowed it to carry forward the historical lease classification.

The adoption of FASB ASC 842 resulted in the recognition of operating right-of-use-assets and operating lease liabilities. Results for periods beginning prior to July 1, 2022, continue to be reported in accordance with our historical accounting treatment. The adoption of FASB ASC 842 did not have a material impact on the Organization's statement of activities, cash flows or debt covenants.

(4) Restricted Cash

Restricted cash at June 30, 2023, consisted of an advance of cash from a grant which is restricted for construction of a building in the amount of \$176,143. This amount is included in refundable advance at June 30, 2023.

(5) Grants Receivable

Various funding sources provide reimbursement of allowable costs under contracts or agreements. These balances represent amounts due from funding sources at June 30, 2023, but received after that date.

(Continued)

The Coordinating and Development Corporation  
 Bossier City, Louisiana  
 Notes to Financial Statements  
 June 30, 2023  
 (Continued)

(6) Accounts Receivable - Other

Accounts receivable other of \$47,370, consists of miscellaneous amounts due as of June 30, 2023, but received after that date.

(7) Accrued Liabilities

Accrued liabilities consisted of the following at June 30, 2023:

	2023
Accrued leave payable	\$ 69,406
Accrued payroll	72,258
Retirement payable	15,962
	\$ 157,626

(8) Property and Equipment

Property and equipment consisted of the following at June 30, 2023:

	Estimated Depreciable Life	2023
Furniture and equipment	5-10 years	31,707
Vehicles	5-10 years	90,888
Construction in process		74,786
Accumulated depreciation		( 71,671)
Net investment in property and equipment		\$ 125,710

Depreciation expense for the year ended June 30, 2023 was \$18,178.

(9) Retirement Plan

The CDC provides for a Simplified Employee Pension (SEP) plan. The plan covers full-time employees of the CDC. The CDC contributes 15% of the employee's compensation for the calendar year. Employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code if they wish. The amount contributed by the CDC to retirement plans on the employees behalf for the year ended June 30, 2023 was \$195,685.

(10) Net Assets

Net assets at June 30, 2023, consisted of the following:

Net Assets Without Donor Restrictions:	
Undesignated	\$ 235,181
Net investment in property and equipment	125,710
Total undesignated net assets	360,891
Total net assets without donor restrictions	\$ 360,891

(Continued)

The Coordinating and Development Corporation  
 Bossier City, Louisiana  
 Notes to Financial Statements  
 June 30, 2023  
 (Continued)

(11) Right-of-Use Operating Leases

The CDC leases office space under a long-term operating lease. This lease includes a 5-year option to extend which CDC is not reasonably certain to exercise. CDC also leases a postage machine under a long-term, non-cancellable operating leases. The leases expire at various dates through 2026. The discount rate of 2.88% represents the risk-free discount rate using a period comparable with that of the individual lease term.

The right-of-use operating assets and operating lease liabilities at June 30, 2023, are as follows:

	<u>2023</u>
Lease Assets	
Operating lease right-of-use assets	<u>\$ 517,522</u>
Lease Liabilities	
Operating lease liabilities as June 30	\$ 517,522
Less current portion	<u>( 225,317)</u>
Operating lease liabilities, non-current	<u>\$ 292,205</u>
Total lease costs were as follows:	
Long-term operating lease costs	\$ 237,263
Short-term lease costs	<u>23,277</u>
Total lease costs	<u>\$ 260,540</u>
Weighted-average remaining lease term – months	<u>27</u>
Weighted-average discount rate	<u>2.88%</u>

Future minimum payments required under operating leases that have an initial or remaining non-cancelable lease term in excess of one year are as follows:

For the Year Ending June 30,	Principle	Interest	Total
2024	\$ 225,317	\$ 11,946	\$ 237,263
2025	231,892	5,370	237,262
2026	60,313	308	60,621
Total lease payments	<u>\$ 517,522</u>	<u>\$ 17,624</u>	<u>\$ 535,146</u>

(Continued)

The Coordinating and Development Corporation  
 Bossier City, Louisiana  
 Notes to Financial Statements  
 June 30, 2023  
 (Continued)

(12) Liquidity and Availability of Financial Assets

The CDC monitors its liquidity so that it is able to meet its operating needs and other contractual commitments while maximizing the investment of its excess operating cash. The CDC has the following financial assets that could readily be made available within one year of the balance sheet to fund expenses without limitations:

Financial assets at year-end:	
Cash and cash equivalents	\$ 333,380
Grant receivables	198,418
Other receivables	47,370
Cash restricted for building construction	<u>176,143</u>
Total financial assets	<u>755,311</u>

Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 755,311</u>
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In addition to financial assets available to meet general expenditures over the year, the CDC operates with a balanced budget and anticipates covering general expenditures using the income generated from contractual agreements with governmental agencies and contributions. The Statement of Cash Flows identifies the sources and uses of the CDC's cash and shows positive cash generated by operations of \$260,862 for fiscal year ending June 30, 2023.

(13) Commitment

In June of 2021, CDC was awarded a grant from the U.S. Department of Commerce for the construction of a building in the amount of \$2,000,000, of which \$400,000 is non-federal matching share. During the year ended June 30, 2023, CDC received an advance of grant funds in the amount of \$256,000. CDC has a signed contract for architectural design in the amount of \$106,746. As of June 30, 2023, approximately \$74,786 had been incurred on the contract, with the remaining balance to be incurred subsequent to June 30, 2023.

(14) Prior Period Restatements

CDC's net assets without donor restrictions, as of June 30, 2022, were restated as noted below:

	Net Assets Without Donor Restrictions
Net assets, June 30, 2022, as previously reported	\$ 422,291
Accrual of contingent liability	( 36,552)
Accruals for payroll	( 65,028)
Accruals for revenue	<u>68,962</u>
Total net assets without donor restriction, June 30, 2022, restated	<u>\$ 389,673</u>

(Continued)

The Coordinating and Development Corporation  
Bossier City, Louisiana  
Notes to Financial Statements  
June 30, 2023  
(Continued)

(15) Subsequent Events

Subsequent events have been evaluated through December 7, 2023, the date the financial statements were available to be issued.

(16) Contingencies

The Louisiana Workforce Commission's (LWC) Office of Workforce Development Compliance and Monitoring Unit issued a monitoring report for the Workforce Innovation and Opportunity Act (WIOA) Title 1 – Adult, Dislocated Worker, and Youth programs, for program year 2019. On July 20, 2021, LWC issued an initial determination of disallowed costs in the amount of \$398,470.44 for WIOA program year June 30, 2019. On December 3, 2021, a "Final Determination Letter" was received by CDC from LWC with a total disallowed costs of \$107,453.70. CDC contends that the amount due is \$36,552, and a liability has been recorded by CDC in that amount, which is included in accounts payable in the accompanying Statement of Financial Position. CDC continues to dispute any remaining amount being due to LWC. To date, the disputed amount of \$70,901.40, representing the difference between \$107,753.70 claimed by LWC and \$36,552.30 agreed to by CDC, remains under appeal by CDC without further reply received to date from LWC.

Government-supported programs are subject to audit by the applicable granting agencies. The possible disallowances by the granting agencies of any items charged to the program cannot be determined until such time when the audits occur. Therefore, no provision for any additional potential disallowances that may result from such audits has been made in the accompanying financial statements. Management is of the opinion that disallowances, if any, will not be material to the financial statements.

(17) Contractual Revenue – Grants

During the year ended June 30, 2023, CDC received contractual revenue from federal and state grants in the amount of \$3,633,970. The continued existence of these funds is based on contract renewals with various funding sources.

(18) Refundable Advance

CDC records federal funds received in excess of expenditures as a refundable advance until they are expended for the purpose of the contract or until the funds are returned to the appropriate funding source.

The Coordinating and Development Corporation  
 Bossier City, Louisiana  
 Schedule of Expenditures of Federal Awards  
 For the Year Ended June 30, 2023

Federal Grantor / Pass-Through Grantor / Program Title	Federal ALN Number	Pass-Through Grantor's Number	Passed Through to Subrecipients	Expenditures
<u>U.S. Department of Labor</u>				
Passed through Louisiana Workforce Commission:				
WIOA Cluster:				
Adult Program	17.258	unknown	\$	\$1,462,700
Youth Program	17.259	unknown		1,045,554
Dislocated Worker Program	17.278	unknown		745,467
Total WIOA Cluster				<u>3,253,721</u>
<u>U.S. Department of Housing and Urban Development</u>				
Passed through Louisiana Division of Administration, Office of Community Development				
Community Development Block Grant	14.228	unknown		<u>152,759</u>
<u>Delta Regional Authority</u>				
Direct Program:				
Local Development District	90.200	unknown		<u>520</u>
<u>U.S. Department of Commerce</u>				
Direct Programs:				
Economic Development Support for Planning	11.302	unknown		70,000
Economic Development Cluster:				
Investments for Public Works and Economic Development Facilities	11.307	unknown		<u>79,857</u>
Total Economic Development Cluster				<u>79,857</u>
Total Department of Commerce				<u>149,857</u>
Total Expenditures of Federal Awards			<u>\$</u>	<u>\$3,556,857</u>

**NOTE 1: Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of The Coordinating and Development Corporation, under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of The Coordinating and Development Corporation, it is not intended to and does not present the financial position, changes in net assets, or cash flows of The Coordinating and Development Corporation.

**NOTE 2: Indirect Cost Rate**

The Coordinating and Development Corporation does not utilize an indirect cost rate.

**NOTE 3: Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The Coordinating and Development Corporation  
Bossier City, Louisiana  
Schedule of Compensation, Benefits, and Other Payments to Agency Head  
For the Year Ended June 30, 2023

Agency Head: Jack Skaggs, Executive Director

The following payments were made from public funds:

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 97,458
Benefits-insurance	13,249
Benefits-retirement	14,668
Benefits-phone allowance	1,704

# COOK & MOREHART

*Certified Public Accountants*

1215 HAWN AVENUE • SHREVEPORT, LOUISIANA 71107 • P.O. BOX 78240 • SHREVEPORT, LOUISIANA 71137-8240

TRAVIS H. MOREHART, CPA  
VICKIE D. CASE, CPA

TELEPHONE (318) 222-5415

FAX (318) 222-5441

STUART L. REEKS, CPA  
J. PRESTON DELAUNE, CPA

MEMBER  
AMERICAN INSTITUTE  
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

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*

Independent Auditors' Report

To the Board of Directors  
The Coordinating and Development Corporation  
Bossier City, Louisiana

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 Coordinating and Development Corporation, (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 7, 2023.

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

In planning and performing our audit of the financial statements, we considered The Coordinating and Development Corporation'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 The Coordinating and Development Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of The Coordinating and Development Corporation's internal control.

*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 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 or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether The Coordinating and Development Corporation'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*.

**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 the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Cook & Morehart  
Certified Public Accountants  
December 7, 2023

# COOK & MOREHART

*Certified Public Accountants*

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## Report on Compliance for Each Major Program and on Internal Control Over Compliance Required By the Uniform Guidance

### Independent Auditors' Report

To the Board of Directors  
The Coordinating and Development Corporation  
Bossier City, Louisiana

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

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

We have audited The Coordinating and Development Corporation's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of The Coordinating and Development Corporation's major federal programs for the year ended June 30, 2023. The Coordinating and Development Corporation's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, The Coordinating and Development Corporation complied, in all material respects, with the 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, 2023.

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of The Coordinating and Development Corporation and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of The Coordinating and Development Corporation'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 The Coordinating and Development Corporation's federal programs.

### ***Auditors' Responsibilities for the Audit of Compliance***

Our 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 The Coordinating and Development Corporation's compliance based on our 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 GAAS, *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 judgement made by a reasonable user of the report on compliance about The Coordinating and Development Corporation's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgement and maintain professional skepticism throughout the audit.
- identify and assess the risk 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 The Coordinating and Development Corporation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of The Coordinating and Development Corporation'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 The Coordinating and Development Corporation's internal control over compliance. Accordingly, no such opinion is expressed.

We are 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 we identified during the audit.

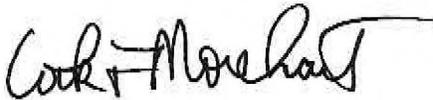
### ***Report on Internal Control Over Compliance***

*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 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. Our consideration of

internal control over compliance was for the limited purpose described in the Auditors' 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 our audit we did not identify any deficiencies in internal control over compliance that we 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.

Our 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 our testing of internal control over compliance and the results of that testing based on requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Cook & Morehart  
Certified Public Accountants  
December 7, 2023

The Coordinating and Development Corporation  
 Bossier City, Louisiana  
 Summary Schedule of Prior Audit Findings  
 June 30, 2023

There were no findings or questioned costs for the audit for the year ended June 30, 2022.

Schedule of Findings and Questioned Costs  
 June 30, 2023

**A. Summary of Audit Results**

Financial Statements

Type of audit report issued : Unmodified

Internal control over financial reporting :

Material weaknesses identified :	_____	yes	√	no
Significant deficiencies identified :	_____	yes	√	none reported

Noncompliance material to financial statements noted :

_____	yes	√	no
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Federal Awards

Internal control over major programs :

Material weaknesses identified :	_____	yes	√	no
Significant deficiencies identified :	_____	yes	√	none reported

Type of auditors' report issued on compliance for major federal programs : Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)

_____	yes	√	no
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Identification of major federal programs :

WIOA Cluster - AL# 17.258, 17.259, 17.278

Dollar threshold used to distinguish between type A and type B programs : \$750,000

Auditee qualified as low risk :	√	yes	_____	no
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**B. Findings – Financial Statements Audit: None**

**C. Findings and Questioned Costs – Major Federal Award Programs Audit: None.**

The Coordinating and Development Corporation  
Bossier City, Louisiana  
Schedule of Audit Findings For Louisiana Legislative Auditor  
June 30, 2023

There were no findings for the prior audit period for the year ended June 30, 2022.

There are no findings for the current audit period for the year ended June 30, 2023.

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## Independent Accountants' Report on Applying Agreed-Upon Procedures

To the Board of Directors  
The Coordinating & Development Corporation  
Bossier City, Louisiana  
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2022 through June 30, 2023. The Coordinating & Development Corporation's (CDC) management is responsible for those C/C areas identified in the SAUPs.

The Coordinating & Development Corporation has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2022 through June 30, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

### **1) *Written Policies and Procedures***

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
- i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
  - ii. ***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.
  - iii. ***Disbursements***, including processing, reviewing, and approving.
  - iv. ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff

- procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
  - vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
  - vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
  - viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
  - ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
  - x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
  - xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
  - xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Procedures performed. Noted the following exception:

*Exception:* The policy for information technology disaster recovery/business continuity did not contain some of the required information.

## 2) Board or Finance Committee

- A. Obtain and inspect 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
  - i. Observe 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.
  - ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-

to-actual, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe 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.*

- iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Procedures performed. No exceptions noted.

### **3) Bank Reconciliations**

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
  - i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
  - ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
  - iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Procedures performed. No exceptions noted.

### **4) Collections (excluding electronic funds transfers)**

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that
  - i. Employees responsible for cash collections do not share cash drawers/registers;
  - ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;

- iii. Each employee responsible for collecting cash is not also 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; and
  - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
- i. Observe that receipts are sequentially pre-numbered.
  - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
  - iii. Trace the deposit slip total to the actual deposit per the bank statement.
  - iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
  - v. Trace the actual deposit per the bank statement to the general ledger.

Procedures performed. No exceptions noted.

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

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that
- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
  - ii. At least two employees are involved in processing and approving payments to vendors;
  - iii. 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;
  - iv. 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; and

- v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.
- C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and
- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
  - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.
- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

Procedures performed. Noted the following exceptions:

*Exception:* The employee that is responsible for mailing payments is also responsible for processing payments.

*Exception:* The employee responsible for processing payments is also responsible for adding vendors to the vendor files.

## 6) **Credit Cards/Debit Cards/Fuel Cards/P-Cards**

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and
  - i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
  - ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under procedure #7B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10

transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Procedures performed. Noted the following exception:

*Exception:* Documentation of individuals participating in meals was not noted on three of the eight transactions selected for testing.

#### **7) Travel and Travel-Related Expense Reimbursements (excluding card transactions)**

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected
- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov));
  - ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
  - iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and
  - iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Procedures performed. No exceptions noted.

#### **8) Contracts**

- A. Obtain 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. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and
- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;
  - ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
  - iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and

- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Procedures performed. No exceptions noted.

#### **9) Payroll and Personnel**

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
  - i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
  - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
  - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
  - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.
- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Procedures performed. No exceptions noted.

#### **10) Ethics**

Not applicable to nonprofit organizations.

#### **11) Debt Service**

Not applicable to nonprofit organizations.

## **12) Fraud Notice**

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

Management represented that there were no misappropriations of public funds or assets during the year.

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

Procedures performed. No exceptions noted.

## **13) Information Technology Disaster Recovery/Business Continuity**

- A. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."
- i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
  - ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
  - iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

We performed the procedures and discussed the results with management.

## **14) Prevention of Sexual Harassment**

Not applicable to The Coordinating & Development Corporation.

We were engaged by The Coordinating & Development Corporation, to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, 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.

We are required to be independent of The Coordinating & Development Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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



Cook & Morehart  
Certified Public Accountants  
December 7, 2023



# THE COORDINATING & DEVELOPMENT CORPORATION

4000 Viking Dr.  
Suite A-1  
Bossier City, LA 71111

Phone: (318) 632-2022  
Fax: (318) 632-2099  
Website: cdconline.org

**Mr. Jack "Bump" Skaggs**  
President and CEO

**Honorable Reggie Roe**  
Chairman

**Honorable Jessie Davis**  
Secretary

**Mayor Ronny Walker**  
Treasurer

**Judge Richard Anderson**  
Board Member

**Ms. Erica Bryant**  
Board Member

**Honorable Butch Ford**  
Board Member

**Representative Lane Jean**  
Board Member

**Honorable Mike McCormic**  
Board Member

**Honorable Lee Posey**  
Board Member

**Honorable Rodney Warren**  
Board Member

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network

December 7, 2023

Cook & Morehart, CPAs  
1215 Hawn Ave  
Shreveport, LA 71107

The Coordinating and Development Corporation submits the following response to the exceptions identified in the Statewide Agreed-Upon Procedures Report for the year ended June 30, 2023:

*Exception:* The policy for information technology disaster recovery/business continuity did not contain some of the required information.

*Response:* The IT policy will be revised to include information noted, as applicable.

*Exception:* The employee that is responsible for mailing payments is also responsible for processing payments.

*Response:* Management will consider other options for mailing payments.

*Exception:* The employee responsible for processing payments is also responsible for adding vendors to the vendor files.

*Response:* All vendor payments are approved by management.

*Exception:* Documentation of individuals participating in meals was not noted on three of the eight transactions selected for testing.

*Response:* Management will review this requirement with employees to ensure names of individuals are noted on receipts, and supervisors will review supporting documentation to ensure this information is being included and documented.

Sincerely,

Jack Skaggs  
Executive Director