# NAMI St. Tammany and Subsidiary

## Audited Financial Statements

For the year ended June 30, 2021

CONTENTS

Jason F. Clausen, P.C.
Certified Public Accountants

# INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Management of
NAMI St. Tammany and Subsidiary
Mandeville, LA

We have audited the accompanying financial statements of NAMI ST. Tammany and Subsidiary, which comprise the statements of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of NAMI St. Tammany and Subsidiary as of June 30, 2021, and the change in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matter**

*Supplementary Information*

The accompanying schedule of compensation, benefits, and other payments to the agency head, political subdivision head, or chief executive officer is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the responsibility of management, was derived from, and relates directly to the underlying accounting and other records used to prepare the schedule. The information included in this schedule has been subjected to the auditing procedures applied in the audit of the financial statements, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

Jason F. Clausen, P.C.

November 11, 2021
Fraser, MI

**NAMI ST. TAMMANY AND SUBSIDIARY**
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2021

| | |
|---|---|
| Assets | |
| Current assets | |
| Cash and cash equivalents | $ 359,964 |
| Cash - board designated | 25,000 |
| Investments | 364,313 |
| Grants receivable, net | 90,882 |
| Prepaid expenses | 17,000 |
| Total current assets | 857,159 |
| Property and equipment | |
| Office equipment | 31,847 |
| Equipment | 4,703 |
| Furniture and fixtures | 24,424 |
| Vehicles | 102,324 |
| Leasehold improvements | 77,996 |
| Less accumulated depreciation | (165,452) |
| Net property and equipment | 75,842 |
| Total assets | 933,001 |
| Liabilities | |
| Current liabilities | |
| Accounts payable | 3,311 |
| Current portion of long term debt | 19,188 |
| Accrued payroll | 30,614 |
| Payroll taxes payable | 5,882 |
| Total current liabilities | 58,995 |
| Notes payable, net of current portion | 2,767 |
| Total liabilities | 61,762 |
| Net assets | |
| Net assets without donor restrictions | 846,239 |
| Board designated reserve | 25,000 |
| Total net assets | 871,239 |
| Total liabilities and net assets | $ 933,001 |

**NAMI ST. TAMMANY AND SUBSIDIARY**
CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

| | Net assets without donor restrictions | Net assets with donor restrictions | Total |
|---|---|---|---|
| Revenue and other support | | | |
| Grants and Contracts | 662,767 | - | 662,767 |
| Fundraising | 186,705 | - | 186,705 |
| Membership | 904 | - | 904 |
| Contributions | 103,983 | - | 103,983 |
| Rentals | 35,872 | - | 35,872 |
| Investment | 9,851 | - | 9,851 |
| Other income | 19,357 | - | 19,357 |
| PPP loan forgiveness | 426,410 | - | 426,410 |
| In-kind donations | 54,000 | - | 54,000 |
| Net assets released from restrictions | 100,000 | (100,000) | - |
| Total revenue and other support | 1,599,849 | (100,000) | 1,499,849 |
| Expense | | | |
| Program services | 958,320 | - | 958,320 |
| Management and general | 110,380 | - | 110,380 |
| Fundraising | 43,519 | - | 43,519 |
| Total expense | 1,112,219 | - | 1,112,219 |
| Change in net assets | 487,630 | (100,000) | 387,630 |
| Net assets, beginning of period | 383,609 | 100,000 | 483,609 |
| Net assets, end of period | $ 871,239 | $ - | $ 871,239 |

**NAMI ST. TAMMANY AND SUBSIDIARY**
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021

| Description | Program services | Management and general | Fundraising | Total |
|---|---|---|---|---|
| Salaries | $ 633,305 | $ 57,573 | $ 28,787 | $ 719,665 |
| Employee benefits | 2,937 | 267 | 134 | 3,338 |
| Payroll taxes | 51,480 | 4,680 | 2,340 | 58,500 |
| Advertising | - | - | 2,737 | 2,737 |
| Accounting | - | 18,000 | - | 18,000 |
| Audit | - | 7,130 | - | 7,130 |
| Bank charges | 1,737 | 204 | 102 | 2,043 |
| Donations | 350 | - | - | 350 |
| Travel / trainings | 1,901 | 224 | 112 | 2,237 |
| Telephone | 12,347 | 1,453 | 726 | 14,526 |
| Postage and shipping | - | 1,438 | - | 1,438 |
| Occupancy | 30,600 | 3,600 | 1,800 | 36,000 |
| Office expense | 37,581 | 4,421 | 2,211 | 44,213 |
| Meetings | 1,015 | 21 | 10 | 1,046 |
| Insurance | 37,828 | 4,450 | 2,226 | 44,504 |
| Interest | 1,680 | 198 | 99 | 1,977 |
| Dues and subscriptions | - | 2,666 | - | 2,666 |
| Mileage | 5,464 | - | - | 5,464 |
| Direct operating costs | 69,378 | - | - | 69,378 |
| Vehicle expense | 35,726 | - | - | 35,726 |
| Other expenses | 4,934 | 535 | 475 | 5,944 |
| Depreciation | 29,905 | 3,518 | 1,759 | 35,182 |
| Total expenses on the statement of activities | $ 958,320 | $ 110,380 | $ 43,519 | $1,112,219 |

**NAMI ST. TAMMANY AND SUBSIDIARY**
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

| | |
|---|---|
| Cash flows from operating activities | |
| Change in net assets | $ 387,630 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities | |
| Add: Depreciation | 35,182 |
| Less: PPP loan forgiveness | (426,410) |
| Investment gains | (9,851) |
| Changes in operating assets and liabilities | |
| Increase in grants receivable | (15,267) |
| Decrease in prepaid expense | (5,287) |
| Decrease in accounts payable | (1,267) |
| Decrease in accrued payroll | (4,841) |
| Decrease in payroll taxes payable | (3,173) |
| Net cash provided by operating activities | (43,284) |
| Cash flows from investing activities | |
| Cash paid for fixed assets | (5,003) |
| Cash paid for investments | 386 |
| Net cash used by investing activities | (4,617) |
| Cash flows from financing activities | |
| Payments on notes payable | (20,510) |
| Proceeds from PPP note payable | 213,210 |
| Net cash provided by financing activities | 192,700 |
| Net increase in cash and cash equivalents | 144,799 |
| Cash and cash equivalents, beginning of period | 240,165 |
| Cash and cash equivalents, end of period | $ 384,964 |

Cash paid for interest during the year was $1,977.

## NOTE 1 – NATURE OF ACTIVITIES

NAMI St. Tammany and Subsidiary, (the Organization) is a non-profit corporation located in Mandeville, Louisiana, and is affiliated with National Alliance on Mental Illness. The Organization's mission is to increase awareness and advocate for families and persons with mental health illnesses in St. Tammany Parish. The Organization's source of revenue is principally derived from grant revenue and fundraising events. The Organization operates the following major programs:

*Peer and Family Education*
Providing education, awareness, and understanding of mental illnesses and establishing wellness through Peer-to-Peer, NAMI Basics, and Family-to-Family Education programs.

*Peer and Family Support Groups*
Providing a forum for recovery support for adults living with mental health challenges through ongoing support groups NAMI Connection and Family-to-Family Support.

*Community Programs*
Providing forums for effectively communication of mental health related concerns, advocacy for individuals struggling with mental illness, and a comprehensive web-based directory that provides resources for individuals living with mental illness. These programs are delivered through Parents and Teachers as Allies, NAMI Smarts for Advocacy, Community Education Events, and Mental Health Resource and Provider Directories.

## NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Basis of Accounting*
The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles and accordingly, reflect all significant receivables, payables, and other liabilities.

*Classification of Net Assets*
The Organization prepares it financial statements in accordance with FASB ASC 958-205, "Financial Statements of Not-for-Profit Organizations". Under FASB ASC 958-205, 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, and net assets with donor restrictions. As permitted under the provisions of FASB 958-605, the Organization records donor-restricted contributions whose restrictions have been satisfied in the same reporting period as unrestricted support in such year.

*Principles of Consolidation*
The financial statements include the accounts of NAMI ST Transportation, Inc., a wholly owned subsidiary of the Organization. All intercompany balances have been eliminated.

*Use of Estimates*
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses

## NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

during the reported period. Actual results could differ from those estimates.

*Cash and Cash Equivalents*
For purposes of the statement of cash flows, highly liquid investments with maturities of three months or less when purchased are considered cash equivalents and recorded at cost, which approximates fair value. The Organization places its temporary cash investments with high credit quality financial institutions, and at times may maintain balances that exceed federally insured limits. As of June 30, 2021, the Organization has bank deposits of $8,741 in excess of federally insured limits.

*Accounts Receivable, Net*
The Organization carries its accounts and grants receivable at the lower of cost or market, less an allowance for doubtful accounts. On a periodic basis, the Organization evaluates its accounts receivable and establishes an allowance for doubtful accounts, when deemed necessary, based upon specific delinquent accounts. When receivables are deemed uncollectible, they are charged against the allowance account. At June 30, 2021, the allowance for doubtful accounts was $0.

*Current Financial Assets*
The Organization has $815,159 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditure consisting of cash of $359,964, investments totaling $364,313, and grants receivable totaling $90,882. Of the financial assets, $100,000 are subject to donor restrictions that make them unavailable for general expenditure within one year of the balance sheet date. The Organization has a goal to maintain financial assets, which consist of cash and short-term investments, on hand to meet 60 days of normal operating expenses, which are, on average, approximately $183,000. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

*Donated Materials and Services*
The Organization receives donations of material and services from various sources. The donated materials and services received are reflected in the accompanying financial statements at their fair market value.

*Property and Equipment*
Property and equipment are carried at cost or, if donated, at fair market value at the time of the donation. Property with an original cost of $500 or greater and a useful life of 3 years of greater are capitalized. Depreciation is computed on a straight-line basis over the estimated useful life of the assets. Expenditures for maintenance and repairs are charged to expense as incurred. Useful lives for the different classes of assets is as follows:

| | |
|---|---|
| Office equipment | 3 – 5 years |
| Equipment, vehicles, furniture, and fixtures | 5 – 7 years |
| Leasehold improvements | 10 – 15 years |

*Advertising*
Advertising costs are recorded as expenditures as they are incurred.

## NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

*Income Taxes*
The Organization is a private, not-for-profit organization operating in accordance with Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision or liability for income taxes has been provided in the accompanying financial statements.

*Functional Expenses*
The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and benefits, office and occupancy, general and administrative, interest, and depreciation, all of which are allocated on the basis of management's estimate of time and effort. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts.

## NOTE 3 – BOARD-DESIGNATED CASH

As of June 30, 2021, the Board has designated cash for the following purposes:

| | |
|---|---|
| Cash reserve (see Note 13) | $ 25,000 |

## NOTE 4 - FAIR VALUE MEASUREMENTS

Generally Accepted Accounting principles establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under Generally Accepted Accounting Principles are described as follows:

Level 1 — Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

Level 2 — Inputs to the valuation methodology include
- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of this asset or liability.

Level 3 — Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

## NOTE 4 - FAIR VALUE MEASUREMENTS (CONTINUED)

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lower level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value:

*Money market funds:* Valued at the fair value of the fund at the close of the stock market on the last business day of the year.

*Mutual Funds:* Valued at the accumulated unit value of the units held at the end of the year.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or future fair values. Furthermore, although management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Investments are stated at their fair values, and consist of money market and equity investments as follows:

| June 30, 2021 | Fair Value | In Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Levels 3) |
|---|---|---|---|---|
| Money Market | $ 2,676 | $ 2,676 | $ - | $ - |
| Mutual Funds | 356,353 | 356,353 | - | - |
| Common Stock | 5,284 | 5,284 | - | - |
| Total | $ 364,313 | $ 364,313 | $ - | $ - |

Investment income for the year ended June 30, 2021, reported as a net of realized gains and losses, dividends and interest, brokerage fees, and unrealized market fluctuations was $9,851.

## NOTE 6 – NOTES PAYABLE

*Note Payable – Vehicles*
The Organization maintains a note payable dated January 20, 2017, with an original amount of $27,000. The note calls for 60 monthly payments of $520 and bears interest at a rate of 5.75%. The note matures January 20, 2022 and is secured by specific assets of the Organization.

*Note Payable – Vehicle*
The Organization maintains a note payable dated July 23, 2018, with an original amount of $29,162. The note calls for 48 monthly payments of $677 and bears interest at a rate of

## NOTE 6 – NOTES PAYABLE (CONTINUED)

5.30%. The note matures August 6, 2022 and is secured by specific assets of the Organization.

*Note Payable – Vehicle*
The Organization maintains a note payable dated July 23, 2018, with an original amount of $29,162. The note calls for 48 monthly payments of $677 and bears interest at a rate of 5.30%. The note matures August 6, 2022 and is secured by specific assets of the Organization.

Principal payments due on this note for the next five years are as follows:

| Year ended June 30, | Amount |
|---|---|
| 2022 | $ 19,188 |
| 2023 | 2,767 |
| TOTAL | $ 21,955 |

## NOTE 7 – PAYCHECK PROTECTION PROGRAM ("PPP") LOAN

On April 23, 2020 and February 11, 2021, the Organization received loan proceeds in the amount of $213,200 and $213,210, respectively, under the Paycheck Protection Program ("PPP"). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after twenty-four weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The loans were forgiven in their entirety on January 31, 2021 and October 21, 2021, respectively.

## NOTE 8 – COMPENSATED ABSENCES

The amount liability for compensated absences cannot be reasonably determined, therefore no accrual has been made.

## NOTE 9 – GOVERNMENT GRANTS AND CONTRACTS REVENUE AND RECEIVABLES

The revenues received for the fiscal year ending June 30, 2021 are as follows:

| | |
|---|---|
| U.S. Department of Housing and Urban Development | $ 80,177 |
| St. Tammany Parish Government | 212,373 |
| State of Louisiana - Department of Health & Hospitals | 74,067 |
| Florida Parish Human Services Authority | 137,420 |
| City of Mandeville, Louisiana | 10,000 |
| Total Government Grant and Contract Revenue | $ 514,037 |

The total amounts receivable on these grants as of June 30, 2021 was $90,882.

## NOTE 10 – NET ASSETS WITH DONOR RESTRICTIONS

At June 30, 2021, the Organization had no net assets with the following donor restrictions.

## NOTE 11 – CONDITIONAL PROMISES TO GIVE

During fiscal 2021, the Organization received restricted grants totaling $300,000, due in installments through January 2024. Payments are contingent on performance of grant terms. Since these grants represent conditional promises to give, they are not reported as contribution revenue until donor conditions are met. Unrestricted funds received from these grants totaled $65,000.

## NOTE 12 – IN-KIND DONATIONS

Donated contributions are reflected in the accompanying statements at their estimated values at date of receipt. The organization receives many hours of volunteer work. Much of this volunteer work does not meet the requirements for recognition in GAAP and are therefore not included in the financial statements. The value of donated materials and services included in the financial statement and the corresponding expenses for the year are as follows:

| | |
|---|---|
| Donated use of office space and furniture | $ 36,000 |
| Donated professional services | 18,000 |
| Total In-Kind Donations | $ 54,000 |

## NOTE 13 – BOARD-DESIGNATED CASH RESERVE

At June 30, 2021, the Organization maintained a Board designated cash reserve in the amount of $25,000. These funds are restricted for operating costs and may not be drawn upon without Board consent.

## NOTE 14 – DATE OF MANAGEMENT REVIEW

These financial statements are inclusive of all subsequent events as reviewed by management through the date of this report, which is the date the financial statements were available to be issued.

Jason F. Clausen, P.C.
Certified Public Accountants

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**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***

To the Board of Directors of
NAMI St. Tammany and Subsidiary
Mandeville, LA

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 NAMI St. Tammany (a nonprofit organization) and Subsidiary, which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 11, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered NAMI St. Tammany'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 NAMI St. Tammany and Subsidiary's internal control. Accordingly, we do not express an opinion on the effectiveness of NAMI St. Tammany and Subsidiary'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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether NAMI St. Tammany and Subsidiary'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 organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Jason F. Clausen, P.C.

Fraser, MI
November 11, 2021

Jason F. Clausen, P.C.
Certified Public Accountants

**SUPPLEMENTARY INFORMATION**

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Agency head name: **Nicholas Richard**

| **Purpose** | **Amount** |
|---|---|
| Salary | $ 93,642 |
| Cell phone allowance | 2,400 |
| Car allowance | 4,800 |
| Total | $100,842 |

# NAMI St. Tammany and Subsidiary

## Agreed Upon Procedures with Independent Accountant's Report.

For the year ended
June 30, 2021

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Jason F. Clausen, P.C.
Certified Public Accountants

**INDEPENDENT ACCOUNTANT'S REPORT**
**ON APPLYING AGREED UPON PROCEDURES**

NAMI St. Tammany and Subsidiary
Mandeville, LA

We have performed the procedures listed in the attached supplement to selected accounting records and transactions identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs), ACT 706, for NAMI St. Tammany and Subsidiary for the year ended June 30, 2021. The procedures, which were agreed to by NAMI St. Tammany and Subsidiary, are solely to assist you with respect to the accounting records listed in the attachment. NAMI St. Tammany and Subsidiary's management is responsible for the Company's accounting records. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of NAMI St. Tammany and Subsidiary. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached supplement either for the purpose for which this report has been requested or for any other purpose.

We were not engaged to, and did not perform an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. Accordingly, we do not express such an opinion. Also, we express no opinion on the effectiveness of internal control over financial reporting or any part thereof. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of NAMI St. Tammany and Subsidiary and the Louisiana Legislative Auditor's office, and should not be used by anyone other than these specified parties.

Jason F. Clausen, P.C.

Fraser, MI
November 11, 2021

## *Regarding Capital Assets*

**PROCEDURE 1**

Obtained and inspected the Organization's written policies and procedures over capital assets and observed that they address the process for tagging assets, performing an annual inventory, and disposing of assets.

*Results: The Organization's written policies and procedures address tagging assets, performing an annual inventory, and disposal.*

**PROCEDURE 2**

Obtained documentation from management for the most recent capital asset inventory count in which all assets were inventoried. Observe that the inventory count was performed no more than one year ago.

*Results: Management conducted an inventory count on July 12, 2021.*

**PROCEDURE 3**

Obtained a listing of capital assets and obtained management's representation that the listing is complete. Randomly selected 25 assets from the listing, physically located each asset, and observed that each asset is tagged and agrees to the information on the listing as to the location, description, manufacturer, model, and serial number.

*Results: No exceptions.*

**PROCEDURE 4**

Selected 10 capital assets in two different group homes that meet the asset capitalization. Observed that each asset is tagged and trace to the listing from #3 above. Observed that each asset is included on the listing and agree the information on the listing to the location, description, manufacturer, model, and serial number of the asset.

*Results: No exceptions.*

## *Regarding Credit Cards/Debit Cards/Fuel Cards*

**PROCEDURE 1**

Obtained and inspected the Organization's written policies and procedures over Credit Cards (and debit cards, fuel cards, etc.), and observed that they address the following:

a) How cards are to be controlled;

b) Allowable business uses;

c) Documentation requirements;

d) Required approvers of statements; and

e) Monitoring of card usage

*Results:*
*The cards are kept in the custody of the Executive Director. All purchases are to be made for business purposes only, and must be approved by the Executive Director. Each purchase made with the credit card must be submitted, and the monthly card usage is reconciled by bookkeeper. The Executive Director monitors credit card activity and knows where the Organization's cards are at all times.*

**PROCEDURE 2**

Obtained from management a listing of all active credit cards, bank debit cards, fuel cards for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtained management's representation that the listing is complete.

*Results: Listing was complete and accurate. No exceptions.*

**PROCEDURE 3**

Using the listing prepared by management, randomly selected all cards used during the fiscal period. Randomly selected one monthly statement for each card and for a debit card, randomly selected one monthly bank statement, obtained supporting documentation, and:

a) Observed that there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.

b) Observed that finance charges and late fees were not assessed on the selected statements.

*Results: No exceptions.*

**PROCEDURE 4**

Using the monthly statements or combined statements selected under #2 above, <u>excluding fuel cards</u>, selected all transactions from each statement, and obtained supporting documentation for the transactions. For each transaction, observed 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. There were no missing receipts.

*Results: No exceptions.*