

**OPTIONS, INC. AND AFFILIATES
(A NONPROFIT ORGANIZATION)**

COMBINED FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

OPTIONS, INC. AND AFFILIATES

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Options, Inc. and Affiliates
Hammond, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying combined financial statements of Options, Inc. (a nonprofit organization), and its Affiliates which comprise the combined statements of financial position as of June 30, 2025 and 2024, and the related combined statements of activities, functional expenses and cash flows for the years then ended, and the related combined notes to the financial statements.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Options, Inc. and its Affiliates as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 Options, Inc. and its Affiliates 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 the combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Options, Inc. and its Affiliates' ability to continue as a going concern within one year after the date that the combined 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 combined 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 generally accepted 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 combined financial statements.

In performing an audit in accordance with generally accepted auditing standards 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 combined 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 combined financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Options, Inc. and Affiliates' 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 combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Options, Inc. and Affiliates' ability to continue as a going concern for a reasonable time.

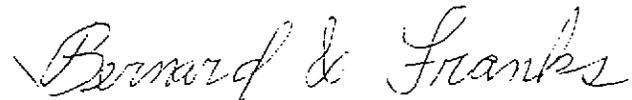
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The Schedule of Compensation, Benefits, and Other Payments to the Chief Executive Officer on page 26, the Combining Statement of Financial Position on pages 27-28 and the Combining Statement of Activities on page 29 is presented for purposes of additional analysis and is not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the combined 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 22, 2025, on our consideration of Options, Inc. and Affiliates' 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 Options, Inc. and Affiliates' 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 Options, Inc. and Affiliates' internal control over financial reporting and compliance.



Metairie, Louisiana
December 22, 2025

OPTONS, INC. AND AFFILIATES

COMBINED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2025 AND 2024

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,071,581	\$ 1,068,733
Restricted cash and cash equivalents	179,817	179,869
Accounts receivable		
Government contracts	364,765	536,426
Other	23,726	61,044
Unconditional promises to give, net	449,930	443,446
Inventory	4,326	4,326
Investments	1,751,805	1,662,553
Investments-certificates of deposit	523,038	760,225
Prepaid expenses	30,106	11,011
	<u>\$ 4,399,094</u>	<u>\$ 4,727,633</u>
LAND, PROPERTY AND EQUIPMENT	<u>\$ 6,328,936</u>	<u>\$ 6,301,336</u>
Less accumulated depreciation and amortization	(3,298,500)	(3,112,525)
	<u>\$ 3,030,436</u>	<u>\$ 3,188,811</u>
OTHER ASSETS		
Unconditional promises to give, net	\$ 570,051	\$ 586,420
Investments-certificates of deposit	48,568	-
	<u>\$ 618,619</u>	<u>\$ 586,420</u>
Total assets	<u><u>\$ 8,048,149</u></u>	<u><u>\$ 8,502,864</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 101,128	\$ 101,986
Trust held for others	115,070	116,343
Other payables	8,185	10,798
Accrued salaries, leave and payroll taxes	444,037	397,669
Total current liabilities	<u>\$ 668,420</u>	<u>\$ 626,796</u>
LONG TERM LIABILITIES		
Tenants' security deposits	<u>\$ 1,774</u>	<u>\$ 1,381</u>
Total long term liabilities	<u>\$ 1,774</u>	<u>\$ 1,381</u>
Total liabilities	<u>\$ 670,194</u>	<u>\$ 628,177</u>
NET ASSETS		
Without donor restrictions		
Undesignated	\$ 6,357,974	\$ 6,844,821
Designated	-	-
With donor restrictions	1,019,981	1,029,866
Total net assets	<u>\$ 7,377,955</u>	<u>\$ 7,874,687</u>
Total liabilities and net assets	<u><u>\$ 8,048,149</u></u>	<u><u>\$ 8,502,864</u></u>

See Notes to Financial Statements.

OPTIONS, INC. AND AFFILIATES
COMBINED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS AND OTHER SUPPORT			
Medicaid	\$ 5,890,322	\$ -	\$ 5,890,322
Grants and contracts:			
Federal	167,861	-	167,861
State	606,183	-	606,183
Contributions	176,129	130,000	306,129
Fund-raising income	187,165	342,427	529,592
Private pay client revenue	38,735	-	38,735
Vocational rehabilitation	3,500	-	3,500
Vocational contracts	\$ 644,227		
Less: cost of services	<u>(277,098)</u>		
Vocational contracts gross profit	367,129	-	367,129
Rental revenue	19,904	-	19,904
Management and maintenance fee	9,587	-	9,587
Investment income	122,570	-	122,570
Gain on sale of assets	28,550	-	28,550
Other income	40,603	-	40,603
Net assets released from restrictions			
Expiration of time restriction	482,312	(482,312)	-
Total revenues, gains, and other support	\$ 8,140,550	\$ (9,885)	\$ 8,130,665
EXPENSES			
Program services			
Residential services	\$ 2,414,839	\$ -	\$ 2,414,839
Vocational services	2,312,904	-	2,312,904
Individualized services	3,121,986	-	3,121,986
Housing services	68,238	-	68,238
Support Services			
Management and general	480,006	-	480,006
Fund-raising	229,424	-	229,424
Total expenses	\$ 8,627,397	\$ -	\$ 8,627,397
Change in net assets	\$ (486,847)	\$ (9,885)	\$ (496,732)
Net assets at beginning of year	6,844,821	1,029,866	7,874,687
Net assets at end of year	\$ 6,357,974	\$ 1,019,981	\$ 7,377,955

See Notes to Financial Statements.

OPTIONS, INC. AND AFFILIATES
COMBINED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES, GAINS AND OTHER SUPPORT			
Medicaid	\$ 5,863,209	\$ -	\$ 5,863,209
Grants and contracts:			
Federal	1,192,939	-	1,192,939
State	641,489	-	641,489
Contributions	183,501	130,000	313,501
Fund-raising income	25,685	375,555	401,240
Private pay clients	54,517	-	54,517
Vocational rehabilitation	16,800	-	16,800
Vocational contracts	\$628,011		
Less: Cost of services	<u>(295,979)</u>		
Vocational contracts gross profit	332,032	-	332,032
Rental revenue	18,239	-	18,239
Management and maintenance fee	9,540	-	9,540
Investment loss	66,692	-	66,692
Gain on sale of asset	38,770	-	38,770
Other income	16,555	-	16,555
Net assets released from restrictions			
Expiration of time restriction	604,987	<u>(604,987)</u>	<u>-</u>
Total revenues, gains, and other support	<u>\$ 9,064,955</u>	<u>\$ (99,432)</u>	<u>\$ 8,965,523</u>
EXPENSES			
Program services			
Residential services	\$ 2,489,699	\$ -	\$ 2,489,699
Vocational services	2,346,446	-	2,346,446
Individualized services	3,877,516	-	3,877,516
Housing services	69,509	-	69,509
Support services			
Management and general	448,833	-	448,833
Fund-raising	208,283	-	208,283
Total expenses	<u>\$ 9,440,286</u>	<u>\$ -</u>	<u>\$ 9,440,286</u>
Change in net assets	\$ (375,331)	\$ (99,432)	\$ (474,763)
Net assets at beginning of year	<u>7,220,152</u>	<u>1,129,298</u>	<u>8,349,450</u>
Net assets at end of year	<u>\$ 6,844,821</u>	<u>\$ 1,029,866</u>	<u>\$ 7,874,687</u>

See Notes to Financial Statements.

OPTIONS, INC. AND AFFILIATES

COMBINED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2025

	Program Services	
	Residential Services	Vocational Services
Salaries and related expenses:		
Salaries	\$ 1,430,510	\$ 1,321,275
Employee benefits & taxes	147,789	190,048
Workers' compensation	14,113	12,289
	<u>\$ 1,592,412</u>	<u>\$ 1,523,612</u>
Advertising	\$ -	\$ 62
Bank fees	136	5,618
Cost of sales	-	274,630
Uncollectible pledges	-	-
Bed tax	83,786	-
Crisis intervention	-	-
Depreciation	67,272	213,645
Dues, licenses, and subscriptions	6,633	4,564
Employee compliance	4,732	-
Food and supplies	86,667	4,462
Fund raising	-	-
Housekeeping supplies	16,394	1,762
Insurance		
Liability	39,536	39,893
Motor vehicle	39,672	148,019
Other property	32,219	36,511
Management and maintenance fee	-	-
Medical consultants	39,323	-
Medical supplies	22,176	6,821
Meeting expense	-	50
Miscellaneous	25,959	22,383
Motor vehicle expenses	11,495	125,714
Non capital equipment	13,236	8,229
Office supplies	3,770	6,661
Other resident expenses	8,601	4,094
Other supplies	-	-
Postage	898	930
Professional services	218,270	53,953
Rent	-	24,292
Repairs and maintenance	32,809	14,583
Telephone	22,414	15,443
Travel and transportation	4,169	22,365
Seminars and training	182	135
Utilities	42,078	29,103
	<u>\$ 822,427</u>	<u>\$ 1,063,922</u>
Less expenses (cost) deducted from revenues on statement of activities	-	(274,630)
Total expenses, net of cost of sales	<u>\$ 2,414,839</u>	<u>\$ 2,312,904</u>

See Notes to Financial Statements.

Program Services		Supporting Services			Total
Individualized Services	Housing Services	Management and General	Fund-raising		
\$ 2,538,652	\$ -	\$ 99,435	\$ 133,424	\$ 5,223,296	
297,301	-	16,538	22,278	673,954	
19,547	-	67	196	46,212	
<u>\$ 2,855,500</u>	<u>\$ -</u>	<u>\$ 116,040</u>	<u>\$ 155,898</u>	<u>\$ 6,243,462</u>	
\$ -	\$ -	\$ 8,005	\$ -	\$ 8,067	
(153)	35	16,051	4	21,691	
-	-	2,468	-	277,098	
-	-	10,613	-	10,613	
-	-	-	-	83,786	
-	-	249,973	-	249,973	
18,669	25,499	9,772	-	334,857	
24,785	-	8,655	-	44,637	
8,892	-	683	-	14,307	
1,355	-	1,316	-	93,800	
-	-	-	73,522	73,522	
129	-	28	-	18,313	
31,947	-	6,766	-	118,142	
1,813	-	353	-	189,857	
7,533	10,887	2,867	-	90,017	
-	5,180	-	-	5,180	
-	-	302	-	39,625	
4,143	-	430	-	33,570	
16	-	-	-	66	
22,856	2,224	10,230	-	83,652	
21	-	231	-	137,461	
15,513	-	4,803	-	41,781	
4,124	-	5,217	-	19,772	
891	-	180	-	13,766	
-	1,077	-	-	1,077	
1,154	-	3,404	-	6,386	
40,225	6,022	13,122	-	331,592	
-	-	-	-	24,292	
8,096	11,777	2,385	-	69,650	
14,440	1,125	2,517	-	55,939	
37,647	-	2,269	-	66,450	
6,613	-	726	-	7,656	
15,777	4,412	3,068	-	94,438	
<u>\$ 266,486</u>	<u>\$ 68,238</u>	<u>\$ 366,434</u>	<u>\$ 73,526</u>	<u>\$ 2,661,033</u>	
-	-	(2,468)	-	(277,098)	
<u>\$ 3,121,986</u>	<u>\$ 68,238</u>	<u>\$ 480,006</u>	<u>\$ 229,424</u>	<u>\$ 8,627,397</u>	

OPTIONS, INC. AND AFFILIATES

**COMBINED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024**

	Program Services	
	Residential Services	Vocational Services
Salaries and related expenses:		
Salaries	\$ 1,476,458	\$ 1,446,741
Employee benefits & taxes	137,879	191,826
Workers' compensation	25,685	24,588
	\$ 1,640,022	\$ 1,663,155
Advertising	\$ -	\$ 62
Bank fees	211	4,682
Cost of sales	-	294,193
Uncollectible pledges	-	-
Bed tax	116,894	-
Crisis intervention	-	-
Depreciation	56,424	147,852
Dues, licenses, and subscriptions	5,551	3,690
Employee compliance	3,021	-
Food and supplies	87,499	4,866
Fund raising	-	-
Housekeeping supplies	14,837	25
Insurance		
Liability	32,826	38,116
Motor vehicle	29,403	112,628
Other property	34,158	32,665
Management and maintenance fee	-	-
Medical consultants	43,120	-
Medical supplies	27,745	8,767
Meeting expense	-	48
Miscellaneous	25,909	24,396
Motor vehicle expenses	3,980	145,224
Non capital equipment	15,357	8,220
Office supplies	3,666	6,670
Other resident expenses	7,819	3,810
Other supplies	-	187
Postage	816	878
Professional services	227,070	49,444
Rent	-	24,120
Repairs and maintenance	44,672	14,934
Telephone	24,316	15,695
Travel and transportation	1,650	8,715
Seminars and training	583	46
Utilities	42,150	27,551
	\$ 849,677	\$ 977,484
Less expenses (cost) deducted from revenues on statement of activities	-	(294,193)
Total expenses, net of cost of sales	\$ 2,489,699	\$ 2,346,446

See Notes to Financial Statements.

Program Services		Supporting Services			Total
Individualized Services	Housing Services	Management and General	Fund-raising		
\$ 3,172,311	\$ -	\$ 96,307	\$ 139,796	\$ 6,331,613	
356,854	-	11,249	19,905	717,713	
36,213	-	-	10	86,496	
<u>\$ 3,565,378</u>	<u>\$ -</u>	<u>\$ 107,556</u>	<u>\$ 159,711</u>	<u>\$ 7,135,822</u>	
\$ -	\$ -	\$ 8,635	\$ -	\$ 8,697	
37	35	17,098	-	22,063	
-	-	1,786	-	295,979	
-	-	(2,567)	-	(2,567)	
-	-	-	-	116,894	
-	-	254,759	-	254,759	
21,797	25,108	8,798	-	259,979	
24,674	-	5,766	-	39,681	
9,819	-	471	-	13,311	
2,803	-	668	-	95,836	
-	-	-	48,572	48,572	
102	-	3	-	14,967	
34,870	-	4,594	-	110,406	
-	-	-	-	142,031	
8,067	9,791	2,235	-	86,916	
-	4,377	-	-	4,377	
-	-	-	-	43,120	
3,638	-	305	-	40,455	
-	-	-	-	48	
32,436	2,706	3,982	-	89,429	
8	-	239	-	149,451	
17,078	-	5,731	-	46,386	
3,834	-	4,614	-	18,784	
1,350	-	119	-	13,098	
-	-	-	-	187	
1,513	-	3,077	-	6,284	
51,479	4,500	13,997	-	346,490	
-	-	-	-	24,120	
14,010	17,361	1,826	-	92,803	
15,965	1,039	2,239	-	59,254	
41,462	-	2,126	-	53,953	
9,206	-	368	-	10,203	
17,990	4,592	2,194	-	94,477	
<u>\$ 312,138</u>	<u>\$ 69,509</u>	<u>\$ 343,063</u>	<u>\$ 48,572</u>	<u>\$ 2,600,443</u>	
-	-	(1,786)	-	(295,979)	
<u>\$ 3,877,516</u>	<u>\$ 69,509</u>	<u>\$ 448,833</u>	<u>\$ 208,283</u>	<u>\$ 9,440,286</u>	

OPTIONS, INC. AND AFFILIATES
 COMBINED STATEMENTS OF CASH FLOWS
 JUNE 30, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (496,732)	\$ (474,763)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	334,857	259,979
(Gain) loss on sale of assets	(28,550)	(38,770)
Unrealized (gain) loss on investments	(96,981)	(57,096)
(Increase) decrease in operating assets		
Accounts receivable	208,979	(93,383)
Unconditional promises to give	9,885	84,906
Prepaid expenses	(19,095)	8,627
Inventory	-	(153)
Increase (decrease) in operating liabilities:		
Accounts payable	(858)	5,561
Trust held for others	(1,273)	1,620
Other payables	(2,613)	5,743
Accrued salaries and payroll taxes	46,368	14,499
Tenants' security deposits	393	(651)
Net cash provided by (used in) operating activities	\$ (45,620)	\$ (283,881)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	\$ 18,543	\$ 34,440
Redemption of certificate of deposit	497,349	85,311
Purchases of certificate of deposit	(291,000)	(750,999)
Purchases of property and equipment	(176,476)	(638,072)
Net cash provided by (used in) investing activities	\$ 48,416	\$ (1,269,320)
Net change in cash, cash equivalents and restricted cash	\$ 2,796	\$ (1,553,201)
Beginning cash, cash equivalents and restricted cash	1,248,602	2,801,803
Ending cash, cash equivalents and restricted cash	\$ 1,251,398	\$ 1,248,602

Cash, cash equivalents and restricted cash as of June 30, 2025 and 2024 consist of the following:

Cash and cash equivalents	\$ 1,071,581	\$ 1,068,733
Cash restricted for:		
Cash restricted for trust	\$ 118,536	\$ 118,731
Tenants' security deposits	1,775	1,382
Cash restricted for reserves	27,962	25,379
Cash restricted for residual receipts	31,544	34,377
	\$ 179,817	\$ 179,869
Total cash, cash equivalents and restricted cash	\$ 1,251,398	\$ 1,248,602

See Notes to Financial Statements

OPTIONS, INC. AND AFFILIATES
COMBINED NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of the Organization

Options, Inc. is a local, 501(c)(3) non-profit organization that was established in 1973, by parents looking for community-based services for their children with disabilities. Options, Inc. continually seeks ways to evolve to respond to the current needs of the people served in the community. There are a variety of opportunities at Options, Inc. to best serve the individual needs of each person with a disability.

The mission of Options, Inc. is to help people with disabilities live and work in the community. Since inception, Options, Inc. has been improving the lives of hundreds of people with disabilities through maximizing life skills, meaningful work and activities, community inclusion, and providing support beyond the family. Options, Inc. offers the following services:

Residential Services

Options, Inc. operates four community homes. Each home provides a nurturing and supportive atmosphere for six individuals with developmental disabilities to call home. Two of the homes are for women and two are for men. The homes provide an opportunity for people with complex needs to live with peers in their communities. The locations were chosen to maximize access to the community and provide a unique neighborhood experience for residents. Each home is staffed around the clock to ensure the care and safety needs of residents are met. All four community homes have been successfully operating for over 25 years.

Vocational Services

Enrichment – Wellness Program

The Wellness Program provides engaging, meaningful activities for individuals with disabilities through recreation and involvement in the community. Every week, Monday-Friday, people with disabilities participate in a variety of enrichment activities including weaving, gardening, swimming, water aerobics, bowling, walking-for-fitness, art, book club, Zumba, and volunteer opportunities. This program promotes self-esteem and helps develop social skills. Through involvement, participants build relationships with community members and have the opportunity to explore their unique interests and talents. Confidence, leadership skills, and involvement in community projects, volunteerism, employment, and entrepreneurship are a few of the successes. The impact of the program is evident through the demand for the program from both participants and family members.

OPTIONS, INC. AND AFFILIATES
COMBINED NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Meaningful Work: Job Placement & Supported Employment

Options, Inc. provides people with disabilities with meaningful work opportunities through job placement and supported employment. Through the job placement program, people with disabilities are able to have competitive jobs in the community through job placement, job coaching, and ongoing support. They work at businesses such as banks, offices, grocery stores, restaurants, retail stores, and government agencies. People with disabilities also have jobs through the supported employment program. These individuals work on Cleaning Crews, Lawn Maintenance Crew, Learning Gardens, Weaving Studio, and at Fabulous Finds. In our rural community, jobs can be scarce, especially for people with disabilities. Over 80% of people with disabilities in the U.S. are not employed and this program is just one solution to this problem. Options, Inc. seeks opportunities and contracts with area businesses or starts new businesses to directly employ people with disabilities.

Transportation Services

The Transportation Program is an essential ingredient to the success of all of the programs and services. Most of the people who are served at Options, Inc. do not drive, so transportation is a very important service. A fleet of vehicles goes the distance to bring people with disabilities where they need to go, whether it be to a doctor's appointment, a community job, or an enrichment activity. Some of the participants of the program live with their families and Options, Inc. picks them up each morning and brings them home in the afternoon. Other clients live in Option Inc.'s community homes or in their own apartments or homes and we not only provide transportation during the day but whenever they need it. With routes that span two rural parishes (counties), careful planning and coordination play a huge role in creating the most efficient and safest routes possible. Fulfilling the ever-evolving transportation needs of participants require complex planning and coordination. Specialized training is on-going for our transportation drivers. Training includes, but is not limited to, how to handle seizures, behavioral issues, health and safety, CPR/First Aid, and much more. Transportation is more than a way to get from point A to point B, it's critical to accomplishing the mission of Options, Inc. It is a lifeline for people with disabilities to access employment, education, health care, and community life. For most of our participants, transportation is synonymous with quality of life.

OPTIONS Weaving Studio

The Weaving Studio was founded by volunteers in 2012. Volunteers and staff enthusiastically worked together to develop the Weaving Studio as a wonderful, fun place for people with disabilities to explore their creativity and artistic skills. Today it is both an employment opportunity and an enrichment activity. Several individuals have started their own businesses in partnerships with Options, Inc.

OPTIONS, INC. AND AFFILIATES
COMBINED NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Weaving Studio. They work with Options, Inc.'s marketing team to develop their business cards, price tags, and marketing materials. They make rugs, table runners, handbags, towels, and many other beautiful items. See OPTIONS Weaving Studio Facebook page for more details. Options, Inc. is proud to offer a cutting-edge opportunity to people with disabilities to explore their creativity.

OPTIONS Learning Gardens

The Learning Gardens was established in January 2020. The purpose of the Learning Gardens is to focus on nurturing the mind, body, and soul of people with disabilities through therapeutic gardening. The Learning Gardens is an inclusive program that allows participants to engage in gardening activities while learning farm to table concepts. Also, the Learning Gardens provide employment for individuals with disabilities. The individuals with disabilities that are employed by The Learning Gardens assist the Learning Gardens Instructor during activities with their peers. The Learning Gardens Program has been a great success in meeting the needs of those with sensory challenges. The environment created promotes an educational and peaceful atmosphere.

OPTIONS Fabulous Finds

Located in Ponchatoula, OPTIONS Fabulous Finds is a gently used, upscale resale store. People from the community donate clothes and other items and the individuals with disabilities who are employed there sort the donated items, maintain store inventory, and assist customers. The store is open to the public Monday-Saturday. For more information, visit OPTIONS Fabulous Finds Facebook page. Options, Inc. has successfully operated OPTIONS Fabulous Finds since 2012.

Individualized Services

Supported Independent Living Program

The Supported Independent Living program assists individuals with intellectual and developmental disabilities to live in the community as independently as possible. The philosophy of Options, Inc. is to support, assist, and meet the needs of each person based on his or her unique needs and goals. Options, Inc. offers services that are tailored to each person's individual needs, wants, and skills. Program participants receive assistance with finding housing and negotiating lease terms, navigating home ownership, financial case management, health and wellness coaching and support, medical case management, in-home personal care, transportation, and any other services needed in order to maintain the highest level of independence for that person. Options, Inc. has been meeting the needs of people with disabilities through its Supported Independent Living Program since 1985.

OPTIONS, INC. AND AFFILIATES
COMBINED NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Health and Wellness Program

The Health and Wellness Program has a team of nurses who oversee many aspects of client care, including proactive/preventative care, health management, and medical advocacy. All people with disabilities, especially those who are non-verbal, are vulnerable. Many of them cannot tell anyone when they are in pain or that they are having physical or emotional difficulties. It requires keen observation, excellent training, and extensive knowledge of each individual to recognize a potential problem. By providing our staff, clients, and clients' families with health and wellness education, training, and support, we enable them to make well-informed decisions regarding the well-being of each person served.

Family Support Services

Options, Inc. provides individuals with disabilities, who live with their families, support that enhance their quality of life and assist their caregivers. Family Support includes assistance with activities of daily living, meal preparation, hygiene, light housekeeping, transportation, and opportunities to participate in community activities. These services support the family care givers thus enabling them to maintain their own jobs, care for their other children, and take needed breaks. Participants enjoy the opportunity to pursue interests outside of the family. Options, Inc. has been providing Family Support Services since 1991.

Foundation

Foundation to Ensure the Future of Options, Inc. is a separate 501(c)(3) organization that oversees Pooled Special Needs Trusts and assists with the long-term funding goals of Options, Inc.

Housing Services

C'est Tres Bon! is a separate 501(c)(3) organization that serves as the governing board for Section 811 HUD apartments (6 units) located on Crisp Road in Hammond. Options, Inc. is the management company.

Combined Financial Statements

The financial statements have been combined to include all accounts of Options, Inc. and its Affiliates. Options, Inc., wholly owned affiliates include the following:

- Foundation to Ensure the Future of Options, Inc.
- C'est Tres Bon!, Inc.

For the purpose of this report, Options, Inc. and Affiliates will be referred to as "the Organization."

OPTIONS, INC. AND AFFILIATES
COMBINED NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Statement Presentation

The Organization follows the financial statement presentation recommended by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) topic 958, Not-for-Profit Entities. The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors. The revenues received in conducting the mission of the Organization is included in this category.

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 the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby, the donor has stipulated these funds be maintained in perpetuity.

The accompanying combined financial statements include the accounts of Options, Inc. and its affiliated organizations, C'est Tres Bon!, Inc. and Foundation to Ensure the Future of Options, Inc. All significant inter-organization transactions and balances have been eliminated in consolidation.

Basis of Accounting

The combined financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Cash and Cash Equivalents

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

Inventory

Inventory is carried at cost and consists of janitorial and office supplies.

Restricted Cash

Restricted cash consists of balances in cash accounts that are required by loan, operating agreements, and donor restrictions.

OPTIONS, INC. AND AFFILIATES
COMBINED NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounts Receivable

Receivables primarily represent amounts due from various sources. They are recorded at new realizable value. Management evaluates the need for an allowance based on historical collection patterns and past experience with these sources. As of June 30, 2025, management concluded that no allowance was required.

Promises to Give

Unconditional promises to give are recognized as revenue in the period in which a written or oral agreement to contribute cash or other assets is received. Conditional promises to give are not recognized until they become unconditional; that is, when the donor-imposed conditions are substantially met. The Organization distinguishes between contributions received for each net asset category with donor-imposed restrictions. An allowance for doubtful accounts is established based on the prior collection history and management's analysis of specific promises made. Pledges are also discounted to the anticipated net present value of future cash flows. The allowance for pledges was \$53,683 and \$54,203 for the years ended June 30, 2025 and 2024, respectively. The discount for pledges was \$117,667 and \$125,132 for the years ended June 30, 2025 and 2024.

Estimates

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

Functional Expenses

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any specific function but provide for the overall support and direction of the Organization.

Advertising

The Organization expenses advertising costs as they are incurred. Advertising expenses for the years ended June 30, 2025 and 2024, were \$8,067 and \$8,697, respectively.

OPTIONS, INC. AND AFFILIATES
COMBINED NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Concentrations of Revenue Source

The Organization's primary source of revenue is Medicaid (Title XIX) revenue. For the fiscal years ended June 30, 2025 and 2024, \$5,890,322 and \$5,863,209 or 72% and 65% of the Organization's total gross revenue was from Title XIX. If significant budget cuts are made at the federal and/or state level, the amount of funds the Organization receives could be reduced significantly and have an adverse impact on its operations. As of December 22, 2025, management was not aware of any actions taken that would adversely affect the amount of Federal or State funds the Organization will receive in the upcoming fiscal year.

Income Tax Status

The Organization is a nonprofit organization and exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Code as other than a private foundation. The Organization believes that it has appropriate support for any tax positions taken and, as such, does not have any uncertain tax positions that are material to combined financial statements. The Organization's Federal Exempt Information Returns (Form 990) for 2023, 2024 and 2025 are subject to examination by the IRS, generally for three years after they were filed.

Noncash Contributions and Contributed Services

Noncash contributions are reflected as contributions at their fair value at date of donation and are reported as support without donor restrictions unless explicit donor stipulations specify how donated assets must be used. The Organization recognizes the fair value of contributed services received if such services a) create or enhance nonfinancial assets or b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not contributed.

The Organization receives a significant amount of contributed time from volunteers that does not meet the recognition criteria described above. Accordingly, the value of this contributed time is not reflected in the accompanying combined financial statements. The Organization receives donated services in the form of Board of Directors and committee members and event volunteers. The hours contributed is estimated by management to be 7,602 hours valued at \$254,601 for the year ended June 30, 2025.

Investments

Investments are reported at cost, if purchased, or at fair value, if donated. Thereafter, investments are reported at their fair values in the combined statements of financial position, and changes in fair value are reported as investment return in the combined statements of activities. The Organization holds investments in mutual funds and stocks and carries such investments at current quoted prices in active markets (Level 1 measurements). Investment income is reported as increases in net assets without donor restrictions in the reporting period in which the income and gains are recognized.

OPTIONS, INC. AND AFFILIATES
COMBINED NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Certificates of Deposit

Certificates of deposit held for investment that are not debt securities are included in “investments-certificate of deposit”. The certificate of deposit has a remaining maturity of less than one year and is classified as a current asset on the combined statements of financial position.

Tenants' Security Deposits

Tenants' security deposits are held in a separate bank account in the name of the Organization. At June 30, 2025 and 2024, the Organization had \$1,775 and \$1,381 in tenant security deposits, respectively.

Property and Equipment

All acquisitions of property and equipment in excess of \$5,000 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. 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 useful life of the assets. State funding sources may maintain an equitable interest in the property purchased with grant monies as well as the right to determine the use of any proceeds from the sale of these assets.

Revenue Recognition

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (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 combined statements of activities as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

Revenue is recognized for services provided to our clients. Revenue for these services is measured based on the amount charged for the service. Revenue is recognized and considered earned at the time of completion of the services.

OPTIONS, INC. AND AFFILIATES
COMBINED NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Rental Income and Deferred Rent

Rental income is recognized as rentals become due. Rental payments received in advance are deferred until earned. All leases between the Organization and the tenants of the property are operating leases.

Tenant rent charges for the current month are due on the first of the month. Tenants who are evicted or move out are charged with damages or cleaning fees, if applicable.

Leases

Effective July 1, 2023, the Standard adopted FASB 842 *Leases* (the Standard). The Standard establishes a right-of-use (ROU) model that requires a lessee to record an ROU asset and a lease liability on the combined statements of financial position for all leases with terms longer than twelve months. Leases are classified as either finance or operating, with classification affecting the pattern of expense recognition in the combined statements of activities. As permitted by the standard, the Organization elected, for all asset classes, the short-term lease exemption. A short-term lease is a lease that, at the commencement date, has a term of twelve months or less and does not include an option to purchase the underlying asset.

As of June 30, 2025, the Organization has identified no significant long-term leases and, as such, has recorded no ROU assets nor lease liabilities on the combined statements of financial position

New Accounting Pronouncements

The Organization has adopted the Current Expected Credit Losses (CECL) accounting standard, as per Accounting Standards Update (ASU) No. 2016-13, "Financial Instruments – Credit Losses (Topic 326)." The standard introduces a new model for estimating credit losses on financial instruments. After a thorough evaluation, management has determined that the impact of adopting the CECL standard on the combined financial statements is immaterial. The Organization has considered factors such as historical loss experience, current economic conditions, and other relevant factors in its credit loss estimation process. As a result, the adoption of the CECL standard has not had a material impact on the Organization's financial position, results of operations, or cash flows. The Organization implemented the new accounting guidance into their policies during the year ended June 30, 2024.

OPTIONS, INC. AND AFFILIATES
COMBINED NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 2. CASH AND CASH EQUIVALENTS

The Organization maintains several bank accounts at various banks. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) for amounts up to \$250,000. Cash exceeded FDIC limits at June 30, 2025 and 2024 by \$807,955 and \$828,118, respectively. It is the opinion of management that the solvency of the referenced financial institution is not of particular concern at this time.

NOTE 3. CERTIFICATES OF DEPOSIT

The certificates of deposit balance at June 30, 2025 and 2024 consist of the following:

Certificates of deposit held by institutions:	2025	2024
Yields 3.95% per annum, due September 24, 2025	\$ 125,806	\$ -
Yields 4.2% per annum, due September 28, 2025	248,401	-
Yields 3.95% per annum, due September 30, 2025	124,796	-
Yields 4.3% per annum, due June 13, 2026	24,035	-
Yields 3.5% per annum, due October 11, 2026	48,568	-
Yields 5.40% per annum, due September 18, 2024	-	235,000
Yields 5.25% per annum, due September 24, 2024	-	45,000
Yields 5.40% per annum, due November 15, 2024	-	15,000
Yields 5.25% per annum, due February 28, 2025	-	233,999
Yields 5.13% per annum, due March 30, 2025	-	224,226
Yields 5.35% per annum, due June 13, 2025	-	7,000
Total certificates of deposit	\$ 571,606	\$ 760,225

NOTE 4. INVESTMENTS

For the years ended June 30, 2025 and 2024, the Organization had investments as follows:

	2025	2024
Mutual Funds	\$ 1,751,801	\$ 1,662,553
Total investments	\$ 1,751,801	\$ 1,662,553

Recap of Investments:

	2025	2024
Investments-current	\$ 1,751,801	\$ 1,662,553
	\$ 1,751,801	\$ 1,662,553

OPTIONS, INC. AND AFFILIATES
COMBINED NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 4. INVESTMENTS (continued)

A summary of return on investments consists of the following:

	2025	2024
Mutual Funds		
Unrealized gain	\$ 96,981	\$ 57,096
Interest and dividends	20,927	9,596
Total return on investment	\$ 117,908	\$ 66,692

Interest income from all sources totaled \$25,589 and \$10,190 for the years ended June 30, 2025 and 2024, respectively.

NOTE 5. FAIR VALUE MEASUREMENTS

Accounting principles generally accepted in the United States of America 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 Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820 are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices in active markets for identical assets or liabilities that the Organization can access at the measurement date.

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, such as:

- 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; and
- 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 the asset or liability.

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

The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. The asset's fair value measurement level with the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. When available, valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs.

OPTIONS, INC. AND AFFILIATES
COMBINED NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 5. FAIR VALUE MEASUREMENTS (continued)

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2025 and 2024:

Mutual Funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Organization are open-end mutual funds that are registered with the U.S. Security Exchange Commission (SEC). These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Organization are deemed to be actively traded.

The Organization recognizes transfers of assets into and out of levels as of the date an event or change in circumstances causes the transfer. There were no transfers between levels in the years ended June 30, 2025 and 2024.

The following tables set forth by level, within the fair value hierarchy, of the Organization's investment assets at fair value for the years ended June 30, 2025 and 2024:

Recurring fair value measurements at June 30, 2025:	Total Assets Measured At Fair Value	Based On		
		Quoted Prices In Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Mutual Funds:				
Franklin US Government Securities A	\$ 945,173	\$ 945,173	\$ -	\$ -
JPM Mortgage-Backed Secs A	356,690	356,690	-	-
Federated TR US TRSY OBLG IS	605	605	-	-
Franklin Io Dur US Gvt Sec A	449,333	449,333	-	-
Total	<u>\$ 1,751,801</u>	<u>\$ 1,751,801</u>	<u>\$ -</u>	<u>\$ -</u>

Recurring fair value measurements at June 30, 2024:	Total Assets Measured At Fair Value	Based On		
		Quoted Prices In Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Mutual Funds:				
Franklin US Government Securities A	\$ 1,326,933	\$ 1,326,933	\$ -	\$ -
JPM Mortgage-Backed Secs A	335,463	335,463	-	-
Federated TR US TRSY OBLG IS	157	157	-	-
Total	<u>\$ 1,662,553</u>	<u>\$ 1,662,553</u>	<u>\$ -</u>	<u>\$ -</u>

OPTIONS, INC. AND AFFILIATES
COMBINED NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 6. UNCONDITIONAL PROMISES TO GIVE

At June 30, 2025 and 2024, the Organization received unconditional promises to give. Promises to give that will be received in more than one year are discounted at 5%.

The amounts due consist of the following:

	2025	2024
Contribution sources	\$ 130,000	\$ 130,000
Annual fundraising campaign	1,061,331	1,079,201
Total promises to give	\$ 1,191,331	\$ 1,209,201
	2025	2024
Receivable in one year or less	\$ 472,427	\$ 443,446
Receivable in one to five years	718,904	765,755
Total unconditional promises to give	1,191,331	1,209,201
Less discounts to net present value	(117,667)	(125,132)
Less allowance for uncollectible promises to give	(53,683)	(54,203)
Net unconditional promises to give	\$ 1,019,981	\$ 1,029,866

Recap of current portion and long-term portion of unconditional promises to give:

	2025	2024
Unconditional promises to give current portion	\$ 449,930	\$ 443,446
Unconditional promises to give long-term portion	570,051	586,420
Total unconditional promises to give	\$ 1,019,981	\$ 1,029,866

NOTE 7. PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2025 and 2024 consisted of the following:

	2025	2024	Useful life
Land & improvements	\$ 592,340	\$ 592,340	
Buildings & improvements	3,852,513	3,852,513	10 to 32 years
Furniture & fixtures	377,402	377,402	5 to 7 years
Software	27,789	27,789	5 years
Vehicles	1,478,892	1,451,292	5 years
	\$ 6,328,936	\$ 6,301,336	
Less: Accumulated depreciation	(3,298,500)	(3,112,525)	
	\$ 3,030,436	\$ 3,188,811	

Depreciation expense was \$334,857 and \$259,979 for the years ended June 30, 2025 and 2024, respectively.

OPTIONS, INC. AND AFFILIATES
COMBINED NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 8. TRUST ACCOUNT

Options, Inc. has implemented a special needs trust to hold funds for individuals with developmental special needs. All the funds held in the trust are for clients of the Organization. The trust balance was \$115,070 and \$116,343, at June 30, 2025 and 2024.

NOTE 9. LEASES

Options, Inc. has several storage and equipment leases under short-term arrangements with month-to-month payments that are cancelable with one month's notice by either party. For the years ending June 30, 2025 and 2024, the total rent expense was \$24,292 and \$24,120, respectively.

NOTE 10. ACCRUED LEAVE

Options, Inc.'s employees can earn paid vacation after successful completion of ninety days initial period of employment. Vacation and leave accrue at various rates depending upon length of service and hours worked per month, as follows:

<u>Employee Classification</u>	<u>Accrual Rate</u>
40 hour employees/32 hour administrative employees	4.00 to 9.2 hours per month up to a maximum of 120 hours
35-39 hour employees	3.5 to 8.06 hours per month up to a maximum of 120 hours

Administrative staff Accrued leave recorded at June 30, 2025 and 2024 was \$125,963 and \$102,783, respectively.

NOTE 11. CAFETERIA PLAN

The Organization has a "Section 125" employee benefits plan, which is also referred to as a "Cafeteria" plan. Employer contributions into this plan are based on length of service. A new employee becomes eligible to participate in the plan after 60 days. Employees are able to use the employer contribution for voluntary benefits and health insurance.

NOTE 12. LINE OF CREDIT

The Organization has a \$250,000 line of credit. The loan has a variable interest rate. Interest on unpaid principal balances will be calculated using a rate of 2.75 percentage points over the prime rate of the lender. As of June 30, 2025 and 2024, \$250,000 is available. There was no interest expense for the years ended June 30, 2025 and 2024.

OPTIONS, INC. AND AFFILIATES
COMBINED NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 13. LIQUIDITY

The following reflects the Organization's financial assets available within one year of the combined statements of financial position as of June 30, 2025 and 2024 for general expenditures:

Financial assets at year-end:	2025	2024
Cash and cash equivalents	\$ 1,071,580	\$ 1,068,733
Accounts receivable	388,491	597,470
Investments	1,751,805	1,662,533
Investments-certificates of deposit	522,948	-
Unconditional promises to give, current portion	472,427	443,446
Financial assets available to meet cash needs for general expenditure within one year	\$ 4,207,251	\$ 3,772,182

The Organization is substantially supported by grants, governmental contracts and contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. As described in Note 12, the Organization also maintains a line of credit to draw upon in an unanticipated liquidity need.

NOTE 14. PENSION PLAN

Employees of the Organization may participate in a 403(b) savings plan, whereby the employees may elect to make contributions pursuant to a salary reduction agreement upon meeting age and length-of-service requirements. Employees may elect to defer a portion of their annual salary subject to Internal Revenue Service limits. The Organization matched up to 2% of the employees' annual salary. Employer contributions for the years ended June 30, 2025 and 2024 was \$28,016 and \$21,958 respectively.

NOTE 15. NET ASSETS WITH DONOR RESTRICTIONS

At June 30, 2025 and 2024, Options, Inc. had \$1,019,981 and \$1,029,866 respectively, in net assets with donor restrictions and are available for the following purposes or periods:

	2025	2024
Vocational program support	\$ 130,000	\$ 130,000
Pledges for subsequent years	889,981	899,866
Total net assets with donor restrictions	\$ 1,019,981	\$ 1,029,866

OPTIONS, INC. AND AFFILIATES
COMBINED NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 16. COMPENSATION

The Board of Directors serves Options, Inc. and Affiliates without compensation.

NOTE 17. RELATED PARTY TRANSACTIONS

At June 30, 2025 and 2024, one of the Organization's board members donated \$10,027 and \$11,339 in personal stock to be used for operating expenses. Board members pledged \$63,050 and \$56,433 at the annual fundraiser to be collected over the next five years for the years ended June 30, 2025 and 2024, respectively.

NOTE 18. SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 22, 2025, the date which the combined financial statements were available for use. Subsequent to year end, the Organization closed one of its four community homes. The home previously provided residential services for individuals with developmental disabilities. This closure does not affect the continued operation of the remaining three homes.

SUPPLEMENTARY INFORMATION

OPTIONS, INC. AND AFFILIATES
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER
PAYMENTS TO THE CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED JUNE 30, 2025

Agency Head Name: Carrie Mercke, Chief Executive Officer

<u>Purpose:</u>	<u>Amount</u>
Salary	\$ 91,040
Benefits-insurance	5,854
Benefits-retirement	1,821
Total	<u>\$ 98,715</u>

OPTIONS, INC. AND AFFILIATES
 COMBINING STATEMENT OF FINANCIAL POSITION
 JUNE 30, 2025

	Options, Inc.	C'est Tres Bon!, Inc	Foundation to Ensure the Future of Options, Inc.	Subtotal	Eliminations	Combined
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents	\$ 1,043,999	\$ 12,228	\$ 15,354	\$ 1,071,581	\$ -	\$ 1,071,581
Restricted cash	-	61,281	118,536	179,817	-	179,817
Accounts receivable						
Government contracts	364,765	-	-	364,765	-	364,765
Other	23,726	-	-	23,726	-	23,726
Unconditional promises to give, net	449,930	-	-	449,930	-	449,930
Inventory	4,326	-	-	4,326	-	4,326
Investments	1,751,805	-	-	1,751,805	-	1,751,805
Investments-certificates of deposit	523,038	-	-	523,038	-	523,038
Prepaid expenses	30,106	-	-	30,106	-	30,106
Total current assets	<u>\$ 4,191,695</u>	<u>\$ 73,509</u>	<u>\$ 133,890</u>	<u>\$ 4,399,094</u>	<u>\$ -</u>	<u>\$ 4,399,094</u>
LAND, PROPERTY AND EQUIPMENT	<u>\$ 5,519,365</u>	<u>\$ 809,571</u>	<u>\$ -</u>	<u>\$ 6,328,936</u>	<u>\$ -</u>	<u>\$ 6,328,936</u>
Less accumulated depreciation and amortization	<u>(3,024,756)</u>	<u>(273,744)</u>	<u>-</u>	<u>(3,298,500)</u>	<u>-</u>	<u>(3,298,500)</u>
	<u>\$ 2,494,609</u>	<u>\$ 535,827</u>	<u>\$ -</u>	<u>\$ 3,030,436</u>	<u>\$ -</u>	<u>\$ 3,030,436</u>
OTHER ASSETS						
Unconditional promises to give, net	\$ 570,051	\$ -	\$ -	\$ 570,051	\$ -	\$ 570,051
Investments-certificates of deposit	-	-	48,568	48,568	-	48,568
	<u>\$ 570,051</u>	<u>\$ -</u>	<u>\$ 48,568</u>	<u>\$ 618,619</u>	<u>\$ -</u>	<u>\$ 618,619</u>
Total assets	<u><u>\$ 7,256,355</u></u>	<u><u>\$ 609,336</u></u>	<u><u>\$ 182,458</u></u>	<u><u>\$ 8,048,149</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 8,048,149</u></u>

OPTIONS, INC. AND AFFILIATES
COMBINING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2025
(CONTINUED)

	Options, Inc.	C'est Tres Bon!, Inc.	Foundation to Ensure the Future of Options, Inc.	Subtotal	Eliminations	Combined
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES						
Accounts payable	\$ 98,654	\$ 2,474	\$ -	\$ 101,128	\$ -	\$ 101,128
Trust held for others	-	-	115,070	115,070	-	115,070
Other payables	8,185	-	-	8,185	-	8,185
Accrued salaries, leave and payroll taxes	444,037	-	-	444,037	-	444,037
Total current liabilities	<u>\$ 550,876</u>	<u>\$ 2,474</u>	<u>\$ 115,070</u>	<u>\$ 668,420</u>	<u>\$ -</u>	<u>\$ 668,420</u>
LONG TERM LIABILITIES						
Tenants' security deposits	-	1,774	-	1,774	-	1,774
Total long term liabilities	<u>\$ -</u>	<u>\$ 1,774</u>	<u>\$ -</u>	<u>\$ 1,774</u>	<u>\$ -</u>	<u>\$ 1,774</u>
Total liabilities	<u>\$ 550,876</u>	<u>\$ 4,248</u>	<u>\$ 115,070</u>	<u>\$ 670,194</u>	<u>\$ -</u>	<u>\$ 670,194</u>
Without donor restrictions						
Undesignated	\$ 5,685,498	\$ 605,088	\$ 67,388	\$ 6,357,974	\$ -	\$ 6,357,974
Designated	-	-	-	-	-	-
With donor restrictions						
	1,019,981	-	-	1,019,981	-	1,019,981
Total net assets	<u>\$ 6,705,479</u>	<u>\$ 605,088</u>	<u>\$ 67,388</u>	<u>\$ 7,377,955</u>	<u>\$ -</u>	<u>\$ 7,377,955</u>
Total liabilities and net assets	<u>\$ 7,256,355</u>	<u>\$ 609,336</u>	<u>\$ 182,458</u>	<u>\$ 8,048,149</u>	<u>\$ -</u>	<u>\$ 8,048,149</u>

OPTIONS, INC. AND AFFILIATES
COMBINING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

	Options, Inc.	C'est Tres Bon!, Inc	Foundation to Ensure the Future of Options, Inc.	Subtotal	Eliminations	Combined
REVENUES, GAINS AND OTHER SUPPORT						
Medicaid	\$ 5,890,322	\$ -	\$ -	\$ 5,890,322	\$ -	\$ 5,890,322
Grants and contracts:						
Federal	143,689	24,172	-	167,861	-	167,861
State	606,183	-	-	606,183	-	606,183
Contributions	299,129	-	7,000	306,129	-	306,129
Fund-raising income	529,592	-	-	529,592	-	529,592
Private pay client revenue	38,735	-	-	38,735	-	38,735
Vocational rehabilitation	3,500	-	-	3,500	-	3,500
Vocational contracts	\$ 644,227					
Less: Cost of services	(277,098)					
Vocational contracts gross profit	367,129	-	-	367,129	-	367,129
Rental revenue	-	19,904	-	19,904	-	19,904
Investment income	117,908	6	4,656	122,570	-	122,570
Management and maintenance fee	9,587	-	-	9,587	-	9,587
Gain on sale of assets	28,550	-	-	28,550	-	28,550
Other income	38,943	1,660	-	40,603	-	40,603
Total revenues, gains, and other support	<u>\$ 8,073,267</u>	<u>\$ 45,742</u>	<u>\$ 11,656</u>	<u>\$ 8,130,665</u>	<u>\$ -</u>	<u>\$ 8,130,665</u>
EXPENSES						
Program Services						
Residential services	\$ 2,414,839	\$ -	\$ -	\$ 2,414,839	\$ -	\$ 2,414,839
Vocational services	2,312,904	-	-	2,312,904	-	2,312,904
Individualized services	3,121,986	-	-	3,121,986	-	3,121,986
Housing services	-	68,238	-	68,238	-	68,238
Support Services						
Management and general	480,006	-	-	480,006	-	480,006
Fund-raising	229,420	-	4	229,424	-	229,424
Total expenses	<u>\$ 8,559,155</u>	<u>\$ 68,238</u>	<u>\$ 4</u>	<u>\$ 8,627,397</u>	<u>\$ -</u>	<u>\$ 8,627,397</u>
Change in net assets	\$ (485,888)	\$ (22,496)	\$ 11,652	\$ (496,732)	\$ -	\$ (496,732)
Net assets at beginning of year	7,191,367	627,584	55,736	7,874,687	-	7,874,687
Net assets at end of year	<u>\$ 6,705,479</u>	<u>\$ 605,088</u>	<u>\$ 67,388</u>	<u>\$ 7,377,955</u>	<u>\$ -</u>	<u>\$ 7,377,955</u>

SPECIAL REPORTS OF INDEPENDENT AUDITORS



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

To the Board of Directors
Options, Inc. and Affiliates
Hammond, 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 combined financial statements of Options, Inc. and Affiliates, which comprise the combined statements of financial position as of June 30, 2025 and 2024 and the related combined statements of activities, functional expenses and cash flows for the years then ended, and the related combined notes to the financial statements, and have issued our report thereon dated December 22, 2025.

Report on Internal Control over Financial Reporting

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

This report is intended for the information of the Board of Directors, management, the State of Louisiana, the Legislative Auditor for the State of Louisiana, Federal Awarding Agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Metairie, Louisiana
December 22, 2025

OPTIONS, INC. AND AFFILIATES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2025

Section I - Summary of Auditors' Results

Financial Statements

1. The auditors' report expresses an unmodified opinion on the combined financial statements of Options, Inc., which was prepared in accordance with generally accepted accounting principles 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.
2. No significant deficiencies or material weaknesses in internal control were disclosed during the audit of the combined financial statements as reported in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the combined financial statements of Options, Inc. were disclosed in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in accordance with *Government Auditing Standards*.

Federal Awards

The Organization received funds from the U.S. Department of Treasury under Assistance Listing Number 21.027 "Coronavirus State and Local Fiscal Recovery Funds" (SLFRF funds). The Treasury offered recipients an alternative approach if the other federal financial assistance expended did not exceed the \$750,000 audit threshold set forth at 2 CFR 200.501(a). The Organization expended \$1,164,968 in total federal funds for the year ended June 30, 2024. Of those funds, SLFRF consisted of \$480,000. Since the Organization's total expended federal funds were under the \$750,000 threshold at \$684,968, the Organization was permitted to choose an alternative approach.

Section II- Financial Statement Findings

There were no findings for the year ended June 30, 2025.

Section III - Federal Award Findings And Questioned Costs

There were no findings or questioned costs reported during the audit of the combined financial statements for the year ended June 30, 2025.

REPORTS BY MANAGEMENT

OPTIONS, INC. AND AFFILIATES
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2025

**Section I – Internal Control over Financial Reporting and Compliance and Other Matters
Material to the Basic Financial Statements**

Internal Control over Financial Reporting

There were no findings regarding internal controls over financial reporting reported during the audit of the combined financial statements for June 30, 2024.

Compliance and Other Matters

No compliance findings material to the combined financial statements were reported during the audit for the combined financial statements for the year June 30, 2024.

Section II - Internal Control and Compliance Material to Federal Awards

There were no internal control and compliance findings during the audit regarding federal awards for the year ending June 30, 2024.

Section III - Management Letter

A management letter was not issued in connection with the audit of the combined financial statements for the year ending June 30, 2024.