

NAMI LOUISIANA, INC.
BATON ROUGE, LOUISIANA

FINANCIAL STATEMENTS
For the Years Ended
June 30, 2025 and June 30, 2024



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Board of Directors
NAMI Louisiana, Inc.
Baton Rouge, Louisiana

Report on the Audit of the Financial Statements

Opinion

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 7, 2025, on our consideration of NAMI’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of NAMI’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering NAMI’s internal control over financial reporting and compliance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of compensation, reimbursements, benefits, and other payments to agency head, political subdivision head, or chief executive, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of compensation, reimbursements, benefits, and other payments to agency head, political subdivision head, or chief executive is fairly stated, in all material respects, in relation to the financial statements as a whole.

TWRU

CPAs & Financial Advisors
Baton Rouge, Louisiana
November 7, 2025

NAMI Louisiana, Inc.
Baton Rouge, Louisiana

STATEMENTS OF FINANCIAL POSITION
(See Notes to Financial Statements)
June 30, 2025 and 2024

ASSETS

	2025	2024
CURRENT ASSETS:		
Cash and Cash Equivalents	\$ 173,397	\$ 204,548
Accounts Receivable	66,500	147,900
Investments, at Fair Value	50,454	34,938
Employee Advance	-	4,595
TOTAL CURRENT ASSETS	290,351	391,981
PROPERTY AND EQUIPMENT:		
Furniture, Fixtures and Equipment	34,875	34,875
Less Accumulated Depreciation	(34,875)	(34,875)
NET PROPERTY AND EQUIPMENT	-	-
Right of Use Assets	97,169	-
TOTAL PROPERTY AND EQUIPMENT	97,169	-
OTHER ASSETS:		
Deposits	1,200	1,200
Charitable Remainder Trust Assets	265,255	249,782
TOTAL OTHER ASSETS	266,455	250,982
TOTAL ASSETS	\$ 653,975	\$ 642,963

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Deferred Revenue	\$ -	\$ 5,000
Current Portion of Lease Liability	20,244	-
TOTAL CURRENT LIABILITIES	20,244	5,000
NON-CURRENT LIABILITIES		
Long-Term Lease Liabilities	76,925	-
TOTAL LIABILITIES	97,169	5,000
NET ASSETS		
Without Donor Restrictions	291,448	388,181
With Donor Restrictions	265,358	249,782
NET ASSETS	556,806	637,963
TOTAL LIABILITIES AND NET ASSETS	\$ 653,975	\$ 642,963

NAMI Louisiana, Inc.
Baton Rouge, Louisiana
STATEMENTS OF ACTIVITIES
(See Notes to Financial Statements)
For the Years Ended June 30, 2025 and 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUES						
Governmental Grants	\$ 538,348	\$ -	\$ 538,348	\$ 579,124	\$ -	\$ 579,124
Private Grants	4,000	-	4,000	63,500	-	63,500
Annual Conference	12,666	-	12,666	560	-	560
Contributions - Individual	2,661	-	2,661	2,264	-	2,264
Contributions - Corporate	25,989	103	26,092	14,743	-	14,743
Membership Dues	1,868	-	1,868	1,807	-	1,807
Miscellaneous Income (Expense)	25,251	-	25,251	218	-	218
Dividends and Interest Income	660	-	660	739	-	739
Change in Value of Charitable Remainder Trusts	-	15,473	15,473	-	22,861	22,861
Unrealized Gain (Loss) on Investments	15,516	-	15,516	7,899	-	7,899
Fundraiser	16,067	-	16,067	500	-	500
Assets Released from Restriction	-	-	-	2,555	(2,555)	-
	<u>643,026</u>	<u>15,576</u>	<u>658,602</u>	<u>673,909</u>	<u>20,306</u>	<u>694,215</u>
EXPENSES						
Program Expenses	484,948	-	484,948	578,691	-	578,691
Management and General	254,811	-	254,811	131,724	-	131,724
	<u>739,759</u>	<u>-</u>	<u>739,759</u>	<u>710,415</u>	<u>-</u>	<u>710,415</u>
 Changes in Net Assets	 (96,733)	 15,576	 (81,157)	 (36,506)	 20,306	 (16,200)
NET ASSETS						
Beginning of Year	388,181	249,782	637,963	424,687	229,476	654,163
End of Year	<u>\$ 291,448</u>	<u>\$ 265,358</u>	<u>\$ 556,806</u>	<u>\$ 388,181</u>	<u>\$ 249,782</u>	<u>\$ 637,963</u>

NAMI Louisiana, Inc.
Baton Rouge, Louisiana
STATEMENTS OF FUNCTIONAL EXPENSES
(See Notes to Financial Statements)
For the Years Ended June 30, 2025 and 2024

	2025			2024		
	Program	Management and General	Total	Program	Management and General	Total
EXPENSES:						
Advertising	\$ -	\$ 2,565	\$ 2,565	\$ -	\$ 885	\$ 885
Annual Conference	-	6,503	6,503	-	-	-
Bank Fees	-	324	324	-	158	158
Board Meeting Expenses	-	821	821	-	4,980	4,980
College Peer	15,736	-	15,736	-	-	-
Computer Expense	6,366	464	6,830	4,829	599	5,428
Conferences and Travel	11,169	8,504	19,673	12,769	3,606	16,375
Copier Expense	5,891	736	6,627	5,908	-	5,908
Depreciation Expense	-	-	-	-	-	-
Donations Paid	-	1,300	1,300	50	12,312	12,362
Dues and Subscriptions	249	201	450	106	-	106
Flowers & Gifts	-	-	-	-	1,575	1,575
Insurance	-	4,273	4,273	-	1,108	1,108
Legal Fees	-	15	15	-	15	15
Licenses & Permits	-	165	165	-	25	25
Miscellaneous Expense	5,365	27,827	33,192	7,172	632	7,804
Parliamentarian	4,433	-	4,433	3,300	-	3,300
Payroll and Benefits	270,595	138,053	408,648	328,781	77,796	406,577
Payroll Taxes	-	30,917	30,917	26,523	5,562	32,085
Postage & Printing	168	466	634	742	146	888
Professional Services	2,500	11,720	14,220	4,771	-	4,771
Rent Expense	18,983	3,646	22,629	14,779	1,270	16,049
Rental Assistance	108,174	834	109,008	144,984	-	144,984
Repairs & Maintenance	55	5,176	5,231	-	1,996	1,996
Supplies	5,485	1,259	6,744	7,439	2,519	9,958
Telephone and Internet	18,367	6,323	24,690	16,110	4,147	20,257
Training Seminars	6,746	1,513	8,259	-	7,245	7,245
Utilities	4,666	1,206	5,872	428	5,148	5,576
TOTAL FUNCTIONAL EXPENSES	\$ 484,948	\$ 254,811	\$ 739,759	\$ 578,691	\$ 131,724	\$ 710,415

NAMI Louisiana, Inc.
Baton Rouge, Louisiana

STATEMENTS OF CASH FLOWS
(See Notes to Financial Statements)
For the Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Unrestricted Net Assets	\$ (81,157)	\$ (16,200)
Adjustments to Reconcile Change in Unrestricted Net Assets to Net Cash		
Provided by Operating Activities:		
Unrealized (gain) loss on investments	(15,516)	(7,903)
Decrease (Increase) in Assets:		
Accounts Receivable	81,400	(9,024)
Charitable Remainder Trust Assets	(15,473)	(22,861)
Employee Advance	4,595	-
(Decrease) Increase in Liabilities:		
Deferred Revenue	(5,000)	5,000
NET CASH USED BY OPERATING ACTIVITIES	(31,151)	(50,988)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(31,151)	(50,988)
BEGINNING CASH AND CASH EQUIVALENTS	204,548	255,536
ENDING CASH AND CASH EQUIVALENTS	<u>\$ 173,397</u>	<u>\$ 204,548</u>

NAMI LOUISIANA, INC.
(A NOT-FOR-PROFIT ORGANIZATION)
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Organization and Operations— NAMI Louisiana, Inc. (NAMI) is a nonprofit corporation whose purpose is to provide a focal point for statewide mental illness activities and issues and to provide a central point for dissemination of information on activities and issues affecting persons with mental illness. The programs include statewide support to family education and support facilitators. This is accomplished by providing educational courses.

Program and Supporting Services— NAMI receives most of its income from grants from the State of Louisiana. NAMI also receives membership dues and contributions from corporations and individuals.

Basis of Accounting— The financial statements of NAMI have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Financial Statement Presentation— NAMI reports 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, which are described as follows:

Net Assets without Donor Restrictions are net assets that are not subject to donor-imposed restrictions and are available for use at NAMI's discretion. The only limits on the use of net assets without donor restrictions are the board limits resulting from NAMI, the operation in which it operates, the purposes specified in the corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered in the course of operations. As of June 30, 2025, and 2024, NAMI had net assets without donor restrictions of \$291,448 and \$388,181, respectively

Net Assets with Donor Restrictions are net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. When the donor's restrictions are satisfied, either by using the resources in the manner specified by the donor or the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. Other donor-imposed restrictions are perpetual in nature, such as those that the donor stipulates the resources be maintained in perpetuity. As of June 30, 2025, and 2024, NAMI had net assets with donor restrictions of \$265,358 and \$249,782, respectively, of which all are temporary in nature.

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

Revenue Recognition— Revenue from grants and contracts are recognized according to the specific agreement. Generally, revenues from grants are recognized in the period of the grant award while revenues from cost reimbursement contracts are recognized to the extent of services provided. Contributions are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction. There were no conditional promises for the years ending June 30, 2025, and 2024.

Revenue With and Without Donor Restrictions— Contributions received are recorded as increases in net assets without donor restrictions and net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.



NAMI LOUISIANA, INC.
(A NOT-FOR-PROFIT ORGANIZATION)
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents – For purposes of the statements of cash flows, NAMI considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Receivables – Management believes that receivables as reflected in the accompanying financial statements are collectible in full, therefore no allowance has been recorded.

Property and Equipment – Property and equipment are carried at cost. Expenditures for additions, renewals and betterments are capitalized; expenditures for maintenance and repairs are expensed as incurred. The cost of property and equipment sold or otherwise disposed of and the accumulated depreciation thereon are eliminated from the property and related accumulated depreciation accounts, and any gain or loss is credited or charged to income. Depreciation is provided using the straight-line method over the estimated useful lives of the property, ranging from five to thirty-nine years.

Leases – Lease determination and classification is recorded at the commencement date. Both operating and finance leases are included in leased equipment, current liabilities, and long-term lease liabilities on the balance sheet. Right-of-use (“ROU”) assets (see Note 4) represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the leases. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of our leases do not provide an implicit rate, we elected to use a risk-free rate at commencement date in accordance with accounting standards. Operating lease ROU assets also include any lease payments made and excludes lease incentives. Our lease terms include options to extend or terminate when we are reasonably certain of that outcome. Lease expense for lease payment is recognized on a straight-line basis over lease term. Lease agreements may contain both lease and non-lease components, which are generally accounted for separately.

Functional Allocation of Expenses – The costs of providing the various programs and activities have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on records and estimates made by NAMI’s management.

Investments – Investments in marketable equity securities with readily determinable fair values are stated at fair value. Real estate investments and equity securities without readily determinable fair values are stated at cost. Dividend, interest and other investment income, including realized and unrealized gains and losses, are recorded as increases or decreases in either net assets without donor restrictions or net assets with donor restrictions, depending on donor stipulations.

Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends, or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

Income Taxes – NAMI has been recognized by the Internal Revenue Service as a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes. Accordingly, no provision for income taxes has been made; however, if NAMI should engage in activities unrelated to the purpose for which it was created, taxable income could result. NAMI has no unrelated business income for the years ended June 30, 2025 and 2024.

Advertising – NAMI follows the policy of charging the costs of advertising to expense as incurred. Advertising expense amounted to \$2,565 and \$885 for the years ended June 30, 2025, and 2024, respectively.



NAMI LOUISIANA, INC.
(A NOT-FOR-PROFIT ORGANIZATION)
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Charitable Remainder Trust Assets – NAMI is one-third remainder beneficiary of two charitable remainder trusts. Payments to NAMI will be made upon the death of the income recipients. Therefore, the trusts are recorded as temporarily restricted net assets. The trustee is a third party national financial institution. The fair value of the remainder interest in the trusts is determined using investment returns consistent with the composition of the asset portfolios, life expectancies, and the discount rates of 5.0% and 5.4% at June 30, 2025, and 2024, respectively.

Expense Allocation – 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. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of NAMI.

Reclassifications – Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform to the presentation in the current-year financial statements.

NOTE 2: FAIR VALUE MEASUREMENT

The framework for measuring fair value provides a fair value 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) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that NAMI has the ability to access at the measurement date.

Level 2 – Inputs are based upon quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of assets or liabilities.

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

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

Common Stock – Valued at the closing price reported in the active market on which the individual securities are traded. Publicly traded common stock is considered level one investment in the fair value hierarchy. Investment in a publicly traded common stock is as follows:

	2025		2024	
	Cost	Market	Cost	Market
Equity Stock	\$ 92	\$ 50,454	\$ 92	\$ 34,938

The investment returns for the year ended June 30, 2025, and 2024, are as follows:

NAMI LOUISIANA, INC.
(A NOT-FOR-PROFIT ORGANIZATION)
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 2: FAIR VALUE MEASUREMENT (CONTINUED)

	<u>2025</u>	<u>2024</u>
Interest	\$ 203	\$ 325
Dividends	457	414
Unrealized (Losses) Gains	15,516	7,899
	<u>\$ 16,176</u>	<u>\$ 8,638</u>

NOTE 3: PROPERTY

Equipment, related service lives, and accumulated depreciation as of June 30, 2025, and 2024 were as follows:

	<u>Estimated Service Lives</u>	<u>FY25</u>	<u>FY24</u>
Office Equipment	5 years	\$ 25,725	\$ 25,725
Website	3 years	9,150	9,150
Less: Accumulated Depreciation		(34,875)	(34,875)
Net Property & Equipment		<u>\$ -</u>	<u>\$ -</u>

Depreciation expense was \$- and \$- for the year ended June 30, 2025, and 2024.

NOTE 4: LEASE ACTIVITIES

NAMI entered into a one-year lease for office space beginning May 1, 2024, and ending April 30, 2025. The monthly lease payment is \$1,500. For the years ended, rent expense was \$22,098 and \$15,717, respectively. Future minimum lease payments are \$16,500 for 2025.

NAMI maintains a sixty-month operating lease for a copy machine beginning in October 2024 and ending in October 2029. The monthly lease payment is \$379 plus additional usage charges. NAMI also entered into a five-year lease for office space beginning January 1, 2025, and ending December 31, 2029. The monthly lease payment is \$379 plus additional usage charges.

The following summarizes the line items in the balance sheet which include amounts for operating leases as of June 30, 2025:

Operating Leases:	
Copy Machine & Office Space	<u>\$ 97,169</u>

The following summarizes the weighted average remaining lease term and discount rate as of June 30, 2025:

	<u>Operating</u>
Weighted Average Remaining Lease Term (years)	4.45
Weighted Average Discount Rate	4.29%

NAMI LOUISIANA, INC.
(A NOT-FOR-PROFIT ORGANIZATION)
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 4: LEASE ACTIVITIES (CONTINUED)

Future lease maturities are as follows:

	Operating
2026	\$ 23,928
2027	23,928
2028	23,928
2029	23,928
2030	10,827
Less Interest	<u>(9,370)</u>
Present Value of Lease Liabilities	<u>\$ 97,169</u>

The following summarizes cash flow information related to leases for the year ended June 30, 2025:

Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating leases	\$ 11,107

NOTE 5: INCOME TAXES

NAMI follows FASB Accounting Standards Codification, which provides guidance on accounting for uncertainty in income taxes recognized in an organization's financial statements. The guidance prescribes a recognition and measurement of a tax position taken or expected to be taken in a tax return and also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. As of June 30, 2025 and 2024, NAMI had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. No interest and penalties were recorded during the years ended June 30, 2025 and 2024. Generally, the tax years before 2021 are no longer subject to examination by federal, state, or local taxing authorities.

NOTE 6: ECONOMIC DEPENDENCY

NAMI derives its revenues from governmental sources as earned revenue or grants, the loss of which would have a material adverse effect on NAMI. Revenue derived from governmental sources accounted for 89% and 84% for the year ending June 30, 2025, and 2024, respectively.

NOTE 7: CONCENTRATION OF CREDIT RISK

NAMI has concentrated its credit risk for cash by maintaining deposits in a financial institution in Baton Rouge, Louisiana. NAMI's deposits occasionally exceeded the covered insurance provided by the U.S. Federal Deposit Insurance Corporation (FDIC) throughout the year. As of June 30, 2025, NAMI did not have any cash balances in excess of FDIC insurance limits.

NOTE 8: CONTINGENCIES

NAMI receives federal and state contracts for specific purposes that are subject to audit by the agencies. Such audits could lead to requests for reimbursement to the agency for expenditures disallowed under terms of the contract. It is the opinion of management that NAMI's compliance with the terms of contracts will result in negligible, if any, disallowed costs.

NAMI LOUISIANA, INC.
(A NOT-FOR-PROFIT ORGANIZATION)
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

NOTE 9: RELATED PARTY TRANSACTIONS

NAMI will randomly pay the local chapters across Louisiana for various expenses. During the years ended June 30, 2025, and 2024, NAMI paid \$1,300 and \$12,311, respectively to other local chapters. NAMI also receives funding from NAMI national. During the years ended June 30, 2025, and 2024, NAMI received \$5,000 and \$68,500, respectively from NAMI national.

NOTE 10: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects NAMI's financial assets as of the statement of financial position date as of June 30, 2025, and 2024, respectively, reduced by any amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions or internal designations.

	<u>2025</u>	<u>2024</u>
Current Assets, excluding nonfinancial assets	\$239,897	\$357,043
Less those unavailable for general expenditures within a year:		
Restricted by donors	(103)	-
Financial Assets available to meet cash needs for general expenditures within one year	<u>\$239,794</u>	<u>\$357,043</u>

NOTE 11: NET ASSETS WITH RESTRICTIONS

Net assets with restrictions were available for the following purposes at June 30, 2025, and 2024:

	<u>2025</u>	<u>2024</u>
Charitable Remainder Trust Assets	\$ 265,35	\$ 249,782

During the year ended June 30, 2024, \$2,555 was released from restriction. There were no assets released from restriction during the year ended June 30, 2025.

NOTE 12: SUBSEQUENT EVENTS

In preparing these financial statements, NAMI has evaluated events and transactions for potential recognition or disclosure through November 7, 2025, the date the financial statements were available to be issued.



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

Board of Directors
NAMI Louisiana, Inc.
Baton Rouge, Louisiana

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of NAMI Louisiana, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated November 7, 2025.

Report on Internal Control over Financial Reporting

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

Report on Compliance and Other Matters

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

TWRU

CPAs & Financial Advisors
Baton Rouge, Louisiana
November 7, 2025

NAMI LOUISIANA, INC.
(A NOT-FOR-PROFIT ORGANIZATION)
Baton Rouge, Louisiana

SUPPLEMENTAL SCHEDULE OF COMPENSATION, REIMBURSEMENT, BENEFITS,
AND OTHER PAYMENTS TO AGENCY HEAD, POLITICAL
SUBDIVISION HEAD, OR CHIEF EXECUTIVE OFFICER

For the Years Ended June 30, 2025 and 2024

Agency Head: Lashonda DeRouen, Executive Director

	<u>2025</u>	<u>2024</u>
Salary	\$102,782	\$ 90,893
Travel and Expense Reimbursements	<u>1,723</u>	<u>1,224</u>
	<u>\$104,828</u>	<u>\$ 92,117</u>

NAMI LOUISIANA, INC.
(A NOT-FOR-PROFIT ORGANIZATION)
Baton Rouge, Louisiana

SCHEDULE OF FINDINGS AND RESPONSES
For the Year Ended June 30, 2025

SUMMARY OF AUDITORS' REPORTS

Financial Statements:

Type of report issued the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified Opinion

Internal Control over Financial Reporting:

Material Weakness(es) Identified

No

Significant Deficiency(ies) Identified

No

Noncompliance Material to Financial Statements Noted

No

FINDINGS RELATING TO THE FINANCIAL STATEMENT AUDIT AS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENT AUDITING STANDARDS

None reported.

PRIOR YEAR SCHEDULE OF FINDINGS AND RESPONSES
For the Year Ended June 30, 2024

There is no items to report on the Schedule of Prior Year Findings and Responses, as the previous year's statements were not audited.

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of NAMI Louisiana, Inc. and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2024, through June 30, 2025. NAMI Louisiana, Inc.'s management is responsible for those C/C areas identified in the SAUPs.

NAMI Louisiana, Inc. has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2024, through June 30, 2025. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) Written Policies and Procedures

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - ii. ***Purchasing***, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes. Disbursements, including processing, reviewing, and approving.
 - iii. ***Disbursements***, including processing, reviewing, and approving.
 - iv. ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - v. ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.

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

Exceptions: With regards to items "i."- "ix" and item "xi." (items "x." and "xii." are not applicable), NAMI Louisiana, Inc. was not able to provide written policies or procedures that addressed the categories described above.

Management's Response: Management is still in the process of creating policies and procedures for the above.

2) Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and
 - i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
No Exception Noted.
 - ii. For those entities reporting on the governmental accounting model, review the minutes from all regularly scheduled board/finance committee meetings held during the fiscal year and observe whether the minutes from at least one meeting each month referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, at a minimum, on all proprietary funds, and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds. Alternatively, for those entities reporting on the not-for-

profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.

Exception: No budget-to-actual referenced in board minutes.

Management's Response: Management and the Board President speak regularly regarding the budget but will make sure it is noted in the board meeting minutes.

- iii. For governmental entities, **obtain the prior year audit report and observe the unassigned fund balance in the general fund.** If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Not Applicable.

- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

No Exception Noted.

3) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

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

Exception: Savings account was not reconciled for year ended June 30, 2025 for this to be determined.

Management's Response: That reconciliation was not completed because we were not getting statements as there were no transactions completed. Currently, management has approved \$100 to be transferred to that account so now we have a transaction and a statement will be generated.

- ii. Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

Exception: Savings account was not reconciled for year ended June 30, 2025 for this to be determined. For the Checking account, there is no indication on the bank recon that it was reviewed. In the Outline of Cash Flows/Internal Controls (PBC), it is stated that the executive director reviews the bank reconciliations upon completion but there it is not indicated on the bank recons itself.

Management's Response: Executive Director reviews the bank recons every month but to verify it was reviewed the Executive Director now reviews and sign.

- iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.
No Exception Noted.

4) Collections (excluding electronic funds transfers)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - i. Employees responsible for cash collections do not share cash drawers/registers.
No Exception Noted.
 - ii. Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
No Exception Noted.
 - iii. Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
No Exception Noted.
 - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.
No Exception Noted.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.
No Exception Noted.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:
 - i. Observe that receipts are sequentially pre-numbered.
Not applicable.

ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
No Exception Noted.

iii. Trace the deposit slip total to the actual deposit per the bank statement.
No Exception Noted.

iv. Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
No Exception Noted.

v. Trace the actual deposit per the bank statement to the general ledger.
No Exception Noted.

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

A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
No Exception Noted.

B. For each location selected under #5 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

ii. At least two employees are involved in processing and approving payments to vendors.

Exceptions: With regards to items "i." and "ii.", only 1 employee is involved in approving purchases, making/ordering the purchase, and approving payments to vendors.

Management's Response: Executive Director makes the final decision on purchases made by her and if staff needs to make purchases they must get the Executive Director's approval before those purchases can be made. If there is a major purchase that requires long term contract such as IT contract, lease agreement, the Executive Director communicates with the Board President for approval before purchasing.

iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
No Exception Noted.

iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
No Exception Noted.

- v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

No Exception Noted.

- C. For each location selected under #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:

- i. Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

No Exception Noted.

- ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5B, as applicable.

No Exception Noted.

- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

No Exception Noted.

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

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

No Exception Noted.

- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.

No Exception Noted.

- ii. Observe that finance charges and late fees were not assessed on the selected statements.

No Exception Noted.

- C. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and

obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

No Exception Noted.

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

A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

i. If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

No Exception Noted.

ii. If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

No Exception Noted.

iii. Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

No Exception Noted.

iv. Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No Exception Noted.

8) Contracts

A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

Not Applicable.

ii. Observe whether the contract was approved by the governing body/board, if required by policy or law.

No Exception Noted.

- iii. If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
No Exception Noted.

- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.
No Exception Noted.

9) Payroll and Personnel

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

No Exception Noted.

- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #9A above, obtain attendance records and leave documentation for the pay period, and:

- i. Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)

No Exception Noted.

- ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials.

No Exception Noted.

- iii. Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

Not Applicable.

- iv. Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

No Exception Noted.

- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

Not Applicable – no terminated employees within FYE 2025.

- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums,

garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

No Exception Noted.

10) Ethics

A. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above: obtain ethics documentation from management, and:

- i. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
- ii. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Exceptions: With regards to "i" and "ii", there was no documentation of ethics training for 1 employee.

Management's Response: One employee did not complete the ethics training, but she is no longer employed with our office.

B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

No Exception Noted.

11) Debt Service

A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.

Not Applicable – no debt service.

B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Not Applicable – no debt service.

12) Fraud Notice

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

No Exception Noted.

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

Exception: No evidence of fraud posted on website or on the premises.

Management's Response: Management contacted the Louisiana Legislative Auditor and printed a copy of the Fraud Notice and posted in our office and we are currently working on getting the Fraud Report button added to our website.

13) Information Technology Disaster Recovery/Business Continuity

A. Perform the following procedures,

- i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.
We performed the procedure and discussed the results with management.
- ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
We performed the procedure and discussed the results with management.
- iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
We performed the procedure and discussed the results with management.
- iv. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.
Not Applicable – no terminated employees within FYE 2025.
- v. Using 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. That requires employees hired before 6/9/2020 to have completed the training and the employees hired after 6/9/2020 to have completed the training within 30 days of initial service or employment.
Not Applicable.

14) Prevention Sexual Harassment

- #### **A. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.**
- Not Applicable.***

- B. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
Not Applicable.
- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:
- i. Number and percentage of public servants in the agency who have completed the training requirements.
Not Applicable.
 - ii. Number of sexual harassment complaints received by the agency.
Not Applicable.
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred.
Not Applicable.
 - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
Not Applicable.
 - v. Amount of time it took to resolve each complaint.
Not Applicable.

We were engaged by NAMI Louisiana, Inc. to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of NAMI Louisiana, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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

TWRU

CPAs & Financial Advisors
Baton Rouge, Louisiana
November 7, 2025