

*The Extra Mile Region VI, Inc.*

*Pineville, Louisiana*

*June 30, 2020*

The Extra Mile Region VI, Inc.

June 30, 2020

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PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1945

## Independent Auditor's Report

To the Board of Directors of  
The Extra Mile Region VI, Inc.

### Report on the Financial Statements

We have audited the accompanying financial statements of The Extra Mile Region VI, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

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

### *Auditor's Responsibility*

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

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

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Cindy L. Humphries, C.P.A.  
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PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors  
The Extra Mile Region VI, Inc.

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Extra Mile Region VI, Inc. as of June 30, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of compensation, benefits, and other payments to the agency head or chief executive officer 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 4, 2020, on our consideration of The Extra Mile Region VI, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of The Extra Mile Region VI, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Extra Mile Region VI, Inc.'s internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Payne, Moore &amp; Herrington, LLP".

Certified Public Accountants  
Alexandria, Louisiana

November 4, 2020

**The Extra Mile Region VI, Inc.  
Statement of Financial Position  
June 30, 2020**

**Exhibit A**

<b>Assets</b>	
<b>Current Assets</b>	
Cash and cash equivalents	\$ 172,081
Grants receivable	92,853
Other receivables	26
Prepaid expenses	<u>7,537</u>
Total Current Assets	272,497
<b>Investments</b>	436,361
<b>Furniture, Equipment and Vehicles - Net of Depreciation</b>	55,763
<b>Other Assets</b>	<u>21,325</u>
<b>Total Assets</b>	<u>\$ 785,946</u>
<b>Liabilities and Net Assets</b>	
<b>Current Liabilities</b>	
Accounts payable	\$ 1,192
Accrued annual leave	12,521
Accrued salaries	10,404
Deposits held on behalf of others	<u>26,628</u>
Total Current Liabilities	50,745
<b>Net Assets</b>	
Without donor restrictions	<u>735,201</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 785,946</u>

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

**The Extra Mile Region VI, Inc.**  
**Statement of Activities**  
**Year Ended June 30, 2020**

**Exhibit B**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Revenues, Gains (Losses), and Other Support</b>			
Government grants	\$ -	\$ 765,647	\$ 765,647
Noncash support	22,078	-	22,078
Administrative reimbursement	43,772	-	43,772
Donations	-	1,017	1,017
Interest and dividends	23,489	-	23,489
Miscellaneous	8,857	-	8,857
Gain (loss) on disposal of fixed assets	(937)	-	(937)
Net realized and unrealized gains (losses) on investments	(34,310)	-	(34,310)
Net assets released from restrictions	766,664	(766,664)	-
Total Revenues, Gains (Losses), and Other Support	<u>829,613</u>	<u>-</u>	<u>829,613</u>
<b>Expenses</b>			
<b>Program Services</b>			
Adult Flex Program	114,035	-	114,035
Child Flex Program	14,201	-	14,201
Drop-In Centers Program	111,565	-	111,565
EDS Program	5,252	-	5,252
The Extra Mile Core Program	54,158	-	54,158
Clothes Closet/Food Pantry Program	28,928	-	28,928
Louisiana State Opioid Response	49,668	-	49,668
Consumer Employment Program	8,854	-	8,854
Consumer Liaison	18,616	-	18,616
Employment Development Program	64,302	-	64,302
CLHSD Gambling Prevention	113,879	-	113,879
Louisiana Partnership for Success II	86,744	-	86,744
Spring Workshop	2,501	-	2,501
CLHSD Library Stipend	318	-	318
Assertive Community Outreach Specialist	41,054	-	41,054
Total Program Services	<u>714,075</u>	<u>-</u>	<u>714,075</u>
<b>Support Services</b>			
Management and general	236,578	-	236,578
Total Expenses	<u>950,653</u>	<u>-</u>	<u>950,653</u>
<b>Change in Net Assets</b>	<b>(121,040)</b>	<b>-</b>	<b>(121,040)</b>
<b>Net Assets, Beginning of Year</b>	<b>856,241</b>	<b>-</b>	<b>856,241</b>
<b>Net Assets, End of Year</b>	<b>\$ 735,201</b>	<b>\$ -</b>	<b>\$ 735,201</b>

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

**The Extra Mile Region VI, Inc.  
Statement of Functional Expenses  
Year Ended June 30, 2020**

**Exhibit C  
(Continued)**

**Program Services**

	<b>Adult Flex Program</b>	<b>Child Flex Program</b>	<b>Drop-In Centers Program</b>	<b>EDS Program</b>	<b>The Extra Mile Core Program</b>	<b>Clothes Closet/ Food Pantry Program</b>	<b>Louisiana State Opioid Response</b>	<b>Consumer Employment Program</b>	<b>Consumer Liaison</b>
Personal services	\$ 27,169	\$ 2,534	\$ 44,010	\$ 3,721	\$ 47,751	\$ 3,913	\$ 41,686	\$ 3,682	\$ 6,886
Related benefits	3,138	344	4,858	392	6,407	525	4,403	529	741
Travel	-	-	176	-	-	-	1,798	-	1,579
Operating services	83,728	11,323	43,976	-	-	24,004	1,484	4,643	5,468
Supplies	-	-	18,545	1,139	-	486	297	-	3,942
Professional fees	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-
<b>Totals</b>	<b>\$ 114,035</b>	<b>\$ 14,201</b>	<b>\$ 111,565</b>	<b>\$ 5,252</b>	<b>\$ 54,158</b>	<b>\$ 28,928</b>	<b>\$ 49,668</b>	<b>\$ 8,854</b>	<b>\$ 18,616</b>

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

**The Extra Mile Region VI, Inc.  
Statement of Functional Expenses  
Year Ended June 30, 2020**

Exhibit C  
(Concluded)

	Program Services						Support Services		
	Employment Development Program	CLHSD Gambling Prevention	Louisiana Partnership for Success II	Spring Workshop	CLHSD Library Stipend	Assertive Community Outreach Specialist	Total Program Services	Management and General	Total
Personal services	\$ 40,812	\$ 89,295	\$ 47,713	\$ -	\$ -	\$ 29,002	\$ 388,174	\$ 119,939	\$ 508,113
Related benefits	5,324	8,331	4,920	-	-	4,047	43,959	12,751	56,710
Travel	181	6,931	3,802	-	-	-	14,467	561	15,028
Operating services	12,991	5,189	3,390	2,501	318	7,839	206,854	71,577	278,431
Supplies	4,994	4,133	6,270	-	-	166	39,972	-	39,972
Professional fees	-	-	20,649	-	-	-	20,649	17,225	37,874
Depreciation	-	-	-	-	-	-	-	14,525	14,525
<b>Totals</b>	<b>\$ 64,302</b>	<b>\$ 113,879</b>	<b>\$ 86,744</b>	<b>\$ 2,501</b>	<b>\$ 318</b>	<b>\$ 41,054</b>	<b>\$ 714,075</b>	<b>\$ 236,578</b>	<b>\$ 950,653</b>

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

**The Extra Mile Region VI, Inc.**  
**Statement of Cash Flows**  
**Year Ended June 30, 2020**

**Exhibit D**

**Cash Flows from Operating Activities**

Change in net assets	\$ (121,040)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:	
Depreciation	14,525
Net realized and unrealized (gains) losses on investments	34,310
Loss (gain) on disposal of fixed assets	937
Changes in operating assets and liabilities:	
Grants receivable	19,052
Other receivables	(26)
Prepaid expenses	(806)
Other assets	(75)
Accounts payable	1,192
Accrued annual leave	2,547
Accrued salaries	2,548
Deposits held on behalf of others	7,154
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>(39,682)</b>

**Cash Flows from Investing Activities**

Reinvested earnings on investments	(23,481)
Withdrawals of principal from investments	8,302
Purchase of furniture and equipment	(12,867)
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>(28,046)</b>

**Cash Flows from Financing Activities**

	-
<b>Net Increase (Decrease) in Cash</b>	<b>(67,728)</b>
<b>Cash, Beginning of Year</b>	<b>239,809</b>
<b>Cash, End of Year</b>	<b>\$ 172,081</b>

**Additional Required Disclosures:**

1. Management considers all highly liquid investments with a maturity of three months or less when acquired to be cash equivalents.
2. No interest was paid during the year.
3. There were no income taxes paid during the year.
4. There were no material noncash investing or financing transactions during the year.

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

**The Extra Mile Region VI, Inc.**  
**June 30, 2020**

**Notes to Financial Statements**

**1. Nature of Activities and Significant Accounting Policies**

Nature of Activities

The Extra Mile Region VI, Inc. (the Organization) is a nonprofit corporation formed to enhance and enrich the environment for clients served by the Louisiana Department of Health and Hospitals through public education, volunteer recruitment, program development, and fundraising.

The Extra Mile Region VI, Inc. qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and comparable Louisiana law, and contributions to it are tax deductible within the limitations prescribed by the Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. In addition, the Organization has been determined not to be a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code.

Significant Accounting Policies

The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Accounting Pronouncement Adopted

In January 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-01, *Financial Instruments-Overall: Recognition and Measurement of Financial Assets and Financial Liabilities* (Subtopic 825-10). The amendments in this Update address certain aspects of recognition, measurement, presentation, and disclosure of financial instruments. The Organization implemented this standard effective July 1, 2019. The adoption of this guidance did not have a material impact on the Organization's financial statements.

In June 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2018-08, *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* (Topic 958). The amendments in this Update assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, Not-for-Profit Entities, or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. The Organization implemented this standard effective July 1, 2019. The adoption of this guidance did not have a material impact on the Organization's financial statements.

Basis of Accounting

The accompanying financial statements of The Extra Mile Region VI, Inc. have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). Under this method, revenues are recognized when earned, and expenses are recorded at the time liabilities are incurred.

**The Extra Mile Region VI, Inc.**  
**June 30, 2020**

**Notes to Financial Statements**

Basis of Presentation

The Extra Mile Region VI, Inc. 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.

- **Net Assets Without Donor Restrictions:**

Net assets without donor restrictions generally result from revenues generated by receiving contributions that have no donor-imposed restrictions and from receiving interest from operating investments, less expenses incurred in providing program services, raising contributions, and performing administrative functions. Net assets without donor restrictions are available for use at the discretion of the Organization's Board and management for general operating purposes. The Board may designate a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion.

- **Net Assets With Donor Restrictions:**

Net assets with donor restrictions result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently. Until the donor restriction expires, that is until the stipulated time restriction ends or the purpose of the restriction is accomplished, the net assets are restricted. The Organization reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets.

Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Organization to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a Board approved spending policy. The Organization does not have any net assets with donor restrictions.

Prepaid Expenses

Prepaid expenses consist of general liability insurance payments that cover periods beyond June 30, 2020.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt and equity securities are valued at their fair value in the statement of financial position. Net realized and unrealized gains and losses on investments are reported in the statement of activities as decreases or increases in the respective net asset classes.

Furniture, Equipment and Vehicles

Furniture, equipment and vehicles with estimated useful lives greater than one year and a value equal to or greater than \$500 are capitalized at cost. Donated items are recorded at fair market value, if material and reasonably determinable, at the time of donation. Depreciation is computed on the straight-line method over the estimated useful lives of the assets as follows:

**The Extra Mile Region VI, Inc.**  
**June 30, 2020**

**Notes to Financial Statements**

Furniture and equipment	5-7 years
Vehicles	5 years

Furniture and equipment reflected in the financial statements includes capital assets purchased for use in the various programs administered by The Extra Mile Region VI, Inc. from the respective program's funds as budgeted in the program agreements. In the event that a program terminates, title to those assets may revert to the funding source.

Repairs, maintenance, and minor replacements are charged to operations as incurred. Major replacements and improvements are capitalized at cost. When capitalized items are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is included in the results of operations.

The Extra Mile Region VI, Inc. reports gifts of land, buildings, and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, The Extra Mile Region VI, Inc. reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Accrued Annual Leave

Annual leave is earned by qualified full-time employees at rates that vary from twelve to eighteen workdays per year, depending on the length of service. Part-time employees who are regularly scheduled to work between thirty to thirty-nine hours per week are eligible for paid annual leave as well; however, benefits are reduced to seventy-five percent of full-time employee benefits.

Employees may accrue at any time up to a maximum of one hundred ninety-two hours of annual leave. Full-time employees may also accrue up to one hundred ninety-two hours of sick leave, but they are not paid for unused sick leave upon termination of employment. Therefore, no liability is reflected in the accompanying financial statements for accrued sick leave.

Revenue Recognition

The Extra Mile Region VI, Inc. reports support received as increases in net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions. When restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Donated Services

The Extra Mile Region VI, Inc. receives donated services from numerous individuals who volunteer their time to assist the Organization with specific programs and various fundraising activities. No amounts have been reflected in the financial statements for donated services since the services are not professional in nature and, as such, do not meet the criteria for recognition as donated services. The Extra Mile Region VI, Inc. pays for most services requiring specific expertise.

**The Extra Mile Region VI, Inc.**  
**June 30, 2020**

**Notes to Financial Statements**

Use of Facilities

From July to November 2019, Central Louisiana State Hospital provided office facilities and utilities to operate The Extra Mile Region VI, Inc.'s administrative offices, the Common Ground Drop-In Center, and the Clothes Closet/Food Pantry. In exchange, The Extra Mile Region VI, Inc. operated the Central Louisiana State Hospital patient library, which was located in The Extra Mile Region VI, Inc.'s office building. In November 2019, The Extra Mile Region VI, Inc. moved its administrative offices, the Common Ground Drop-In Center, and the Clothes Closet/Food Pantry to a leased facility located in Pineville, Louisiana. The fair value of the use of facilities and utilities during the year was \$22,078 and has been included in the statement of activities as noncash support.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The most significant tax position of The Extra Mile Region VI, Inc. is its assertion that it is exempt from income taxes. All significant tax positions have been considered by management. It has been determined that it is more likely than not that all tax positions would be sustained upon examination by taxing authorities. With few exceptions, The Extra Mile Region VI, Inc. is no longer subject to U.S. federal tax examinations for the years ending prior to June 30, 2017.

Functional Allocation of Expenses

Costs incurred by the Organization from providing various programs and other activities have been presented on a functional basis in the statement of functional expenses. Accordingly, costs have been allocated on a reasonable and consistent basis among the functional areas benefited. Most expenses are charged directly to program or support services based on direct identification. Certain expenses included in operating services, such as rent and utilities, are allocated based on estimated square footage and usage of space. Expenses related to more than one function are charged to program or support services using management's estimate of the activities benefited.

Subsequent Events

Management has evaluated subsequent events through November 4, 2020, the date which the financial statements were available for issue. Management's evaluation revealed no subsequent events that require disclosure.

**2. Cash**

Non-interest bearing checking accounts	\$ 144,315
Interest bearing money market account	<u>27,766</u>
	\$ 172,081

**The Extra Mile Region VI, Inc.**  
**June 30, 2020**

**Notes to Financial Statements**

The Extra Mile Region VI, Inc. maintains its cash balances with a financial institution in the Central Louisiana area. Accounts at this institution are insured by the Federal Deposit Insurance Corporation (FDIC). As provided under the FDIC, interest bearing and non-interest bearing deposit accounts are insured up to \$250,000. At June 30, 2020, The Extra Mile Region VI, Inc.'s demand deposit accounts were fully insured.

**3. Grants Receivable**

Louisiana Clinical Services	\$	53,411
Central Louisiana Human Services District		37,655
Employment Development Services		1,787
	\$	<u>92,853</u>

In the opinion of management, the grants receivable balance of \$92,853 is considered fully collectible; therefore, no allowance for uncollectibles at June 30, 2020, has been included in the financial statements.

**4. Investments**

The Extra Mile Region VI, Inc. is required to disclose estimated fair value for all financial instruments and non-financial instruments measured at fair value on a recurring basis. The fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining the fair value, generally accepted accounting principles establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. When available, The Extra Mile Region VI, Inc. uses Level 1 as their valuation approach. This hierarchy consists of three broad levels as follows:

- Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 – Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.
- Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

Investments include funds held in a brokerage account. The fund names, costs, fair values, and carrying values are as follows:

**The Extra Mile Region VI, Inc.**  
**June 30, 2020**

**Notes to Financial Statements**

Description	Cost	Fair Value Measurement at Reporting Date Using			
		Total 06/30/2020	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Capital Income Builder Fund	\$ 184,464	\$ 197,083	\$ 197,083	\$ -	\$ -
Income Fund of America, Inc.	200,335	225,518	225,518	-	-
Target Global DVD Leaders	19,335	13,760	13,760	-	-
	\$ 404,134	\$ 436,361	\$ 436,361	\$ -	\$ -

**5. Furniture, Equipment and Vehicles**

	Cost	Accumulated Depreciation	Net
Vehicles	\$ 64,917	\$ 37,767	\$ 27,150
Furniture and equipment	49,684	21,071	28,613
	\$ 114,601	\$ 58,838	\$ 55,763

The depreciation provision for the year ended June 30, 2020, amounted to \$14,525.

**6. Other Assets**

Other assets include security deposits and approximately 3.2 acres of land donated to The Extra Mile Region VI, Inc. in a prior year by a dissolving nonprofit corporation. The land is located in Rapides Parish, Louisiana and is reported at \$19,200, its estimated fair value at the date of donation in accordance with accounting principles generally accepted in the United States of America. There were no restrictions imposed on the gift by the donor.

**7. Deposits Held on Behalf of Others**

Deposits held on behalf of others represent cash held by The Extra Mile Region VI, Inc. for the use of groups and organizations for special projects and client events. These funds are held in an agency capacity and are not available for use by The Extra Mile Region VI, Inc.

**8. Leases**

Facilities

The Organization provides part of its program services in leased facilities located in Alexandria, Jonesville, and Pineville, Louisiana, which are leased from three unrelated third parties. In June 2019, The Extra Mile Region VI, Inc. entered into a 36-month operating lease for the Alexandria facility, which requires monthly lease payments of \$1,550. For the year ended June 30, 2020, The Extra Mile Region VI, Inc. made rental payments, consisting solely of minimum rentals, amounting to \$18,600 related to this lease.

**The Extra Mile Region VI, Inc.**  
**June 30, 2020**

**Notes to Financial Statements**

The Extra Mile Region VI, Inc. entered into a 36-month operating lease for the Jonesville facility in January 2018, which consists of monthly rental payments of \$500. The Extra Mile Region VI, Inc. made rental payments, consisting solely of minimum rentals, amounting to \$6,000 for the year ended June 30, 2020.

In November 2019, The Extra Mile Region VI, Inc. entered into a 84-month operating lease for the Pineville facility, which consists of monthly rental payments of \$3,681. For the year ended June 30, 2020, The Extra Mile Region VI, Inc. made rental payments, consisting solely of minimum rentals, amounting to \$28,589 related to this lease.

Copier Machines

On October 23, 2015, The Extra Mile Region VI, Inc. entered into a 60-month operating lease for a copier machine, which requires monthly lease payments of \$180. Lease payments for the year under this agreement totaled \$1,998.

Future minimum lease payments as of June 30, 2020, under these leases are as follows:

<u>June 30,</u>	<u>Amount</u>
2021	\$ 66,492
2022	61,222
2023	44,172
2024	44,172
2025	44,172
2026	14,724

**9. Concentrations**

Revenues and Significant Funding Source

The Extra Mile Region VI, Inc. receives the majority of its revenues from funds provided through contracts administered by the State of Louisiana, Department of Health and Hospitals, Central Louisiana Human Services District, and Louisiana Clinical Services. The amount of funds received is appropriated each year by the government. If significant budget cuts are made, the amount of the funds that The Extra Mile Region VI, Inc. receives could be reduced significantly, resulting in an adverse impact on its operations. Management is not aware of any actions that would adversely affect the amount of funds the Organization will receive in the next year.

Concentrations of Credit Risk

Investments include securities that are traded on national stock exchanges and are subject to fluctuations in value. Investments in marketable securities held in The Extra Mile Region VI, Inc.'s brokerage accounts are insured up to \$500,000, including a \$250,000 limit for cash, by Securities Investor Protection Corporation (SIPC). SIPC covers investors in the event that the brokerage firm becomes insolvent or liquidates. SIPC works to replace securities or cash lost due to theft or destruction. This insurance does not protect The Extra Mile Region VI, Inc. from losses on investments resulting from market and economic conditions.

**The Extra Mile Region VI, Inc.**  
**June 30, 2020**

**Notes to Financial Statements**

**10. Compensation to Board of Directors**

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any members.

**11. Retirement Plan**

The Extra Mile Region VI, Inc. has a defined contribution plan covering eligible employees. The plan, funded through a group annuity contract issued by Mutual of America Life Insurance Company, qualifies as a SIMPLE IRA plan under Section 408(p) of the Internal Revenue Code. Participating employee contributions are matched by the employer up to three percent (3%) of the employee's annual salary. Retirement contribution expense for the year ended June 30, 2020, totaled \$5,849.

**12. Net Assets Released From Restrictions**

Net assets were released from restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by the grants. There were no net assets with donor restrictions at June 30, 2020.

**13. Liquidity and Availability of Financial Assets**

The following reflects The Extra Mile Region VI, Inc.'s financial assets as of June 30, 2020, reduced by amounts not available for general use within one year of the balance sheet date because of contractual or donor-imposed restrictions or internal designations. At year-end, all of The Extra Mile Region VI, Inc.'s financial assets were available to meet cash needs for general expenditures within one year.

	<u>2020</u>
Financial assets:	
Cash and cash equivalents	\$ 172,081
Grants receivable	92,853
Other receivables	26
Investments	<u>436,361</u>
Financial assets at year-end	<u>701,321</u>
Less those unavailable for general expenditures within one year:	
Deposits held on behalf of others	<u>(26,628)</u>
Total amount unavailable for general expenditure within one year	(26,628)
 Total financial assets available to meet cash needs for general expenditures within one year	 <u>\$ 674,693</u>

The Extra Mile Region VI, Inc. has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In the event that cash becomes inadequate to cover expenses, the Organization's investments are available for liquidation in order to increase cash flow.

**Supplementary Information**

**The Extra Mile Region VI, Inc.  
Schedule of Compensation, Benefits, and Other Payments  
to the Agency Head or Chief Executive Officer  
Year Ended June 30, 2020**

**Schedule 1**

**Agency Head Name:** Martha A. Powell

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 45,000
Benefits-social security and Medicare	3,442
Benefits-retirement	1,350
Travel	429
Sam's Club dues	110
	<hr/>
<b>Total</b>	<b>\$ 50,331</b>

See independent auditor's report.

**Other Reports Required by  
*Government Auditing Standards***

**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***



PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1945

**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

To the Board of Directors  
The Extra Mile Region VI, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The Extra Mile Region VI, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 4, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered The Extra Mile Region VI, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of The Extra Mile Region VI, Inc.'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.

Rebecca B. Morris, C.P.A.  
Michael A. Juneau, C.P.A.  
Cindy L. Humphries, C.P.A.  
Deborah R. Dunn, C.P.A.

Rebecca G. Nation, C.P.A.  
Evelyn T. Renfrow, C.P.A.  
Kayla G. Holloway, C.P.A.

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PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors  
The Extra Mile Region VI, Inc.

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether The Extra Mile Region VI, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Payne, Moore &amp; Herrington, LLP".

Certified Public Accountants  
Alexandria, Louisiana

November 4, 2020

**The Extra Mile Region VI, Inc.  
 Schedule of Findings and Responses  
 Year Ended June 30, 2020**

**Section I - Summary of Auditor's Results**

*Financial Statements*

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? \_\_\_\_\_ Yes   X   No

Significant deficiency(ies) identified not considered to be material weaknesses? \_\_\_\_\_ Yes   X   None reported

Noncompliance material to financial statements noted? \_\_\_\_\_ Yes   X   No

*Management's Corrective Action Plan* None

*Management's Summary Schedule of Prior Audit Findings* None

*Memorandum of Other Comments and Recommendations* None issued

*Federal Awards* Not applicable

**Section II - Financial Statement Findings**

None.

**Section III - Federal Award Findings and Questioned Costs**

Not applicable.