

NAMI LOUISIANA, INC.
BATON ROUGE, LOUISIANA

FINANCIAL STATEMENTS
June 30, 2017 and 2016



TWRU

CPAs & Financial Advisors

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Independent Accountants' Review Report

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

We have reviewed the accompanying financial statements of NAMI Louisiana, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2017, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA, and the standards applicable to review engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Prior Year Financial Statements

The June 30, 2016 financial statements of NAMI Louisiana, Inc. were reviewed by other accountants whose report dated November 29, 2016, stated that, based on their procedures, they are not aware of any material modifications that should be made to those financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Other Matter Paragraph

Supplementary Information

The accompanying schedule of compensation, benefits, and other payments to the agency head, political subdivision head, or chief executive officer is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the supplementary information and, accordingly, do not express an opinion on such information.

TWRU

CPAs & Financial Advisors
Baton Rouge, Louisiana
December 19, 2017



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NAMI Louisiana, Inc.
Baton Rouge, Louisiana

STATEMENTS OF FINANCIAL POSITION
(See Independent Accountants' Review Report and Notes to Financial Statements)
June 30, 2017 and 2016

ASSETS

	2017	2016
CURRENT ASSETS:		
Cash and Cash Equivalents	\$ 26,995	\$ 48,825
Cash and Cash Equivalents, Board Designated	-	16,091
Accounts Receivable	78,449	44,753
Investments, at fair value	13,017	12,559
	<hr/>	<hr/>
TOTAL CURRENT ASSETS	118,461	122,228
PROPERTY AND EQUIPMENT:		
Furniture, Fixtures and Equipment	34,875	34,875
Less Accumulated Depreciation	(33,594)	(33,188)
	<hr/>	<hr/>
NET PROPERTY AND EQUIPMENT	1,281	1,687
OTHER ASSETS:		
Deposits	1,200	1,200
Charitable Remainder Trust Assets	177,213	156,365
	<hr/>	<hr/>
TOTAL OTHER ASSETS	178,413	157,565
	<hr/>	<hr/>
TOTAL ASSETS	<u>\$ 298,155</u>	<u>\$ 281,480</u>

LIABILITIES

CURRENT LIABILITIES		
Payroll Liabilities	\$ 6,259	\$ 5,072
	<hr/>	<hr/>
TOTAL LIABILITIES (ALL CURRENT)	6,259	5,072
NET ASSETS		
Unrestricted	114,683	103,952
Unrestricted, Board Designated	-	16,091
Temporarily Restricted	177,213	156,365
	<hr/>	<hr/>
NET ASSETS	291,896	276,408
	<hr/>	<hr/>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 298,155</u>	<u>\$ 281,480</u>

NAMI LOUISIANA, INC.
 STATEMENTS OF ACTIVITIES
 (See Independent Accountants' Review Report and Notes to Financial Statements)
 For the Year Ended June 30, 2017 and 2016

	June 30, 2017			June 30, 2016		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUES						
Governmental grants	\$ 296,672	\$ -	\$ 296,672	\$ 225,276	\$ -	\$ 225,276
Private grants	-	-	-	8,000	-	8,000
Annual conference	28,044	-	28,044	30,711	-	30,711
Contributions - individual	2,454	-	2,454	2,626	-	2,626
Contributions - corporate	6,147	-	6,147	3,931	-	3,931
Membership dues	3,594	-	3,594	3,098	-	3,098
Fundraising income	1,062	-	1,062	4,085	-	4,085
Dividends and interest income	349	-	349	354	-	354
Change in value of charitable remainder trusts	-	20,848	20,848	-	(1,798)	(1,798)
Unrealized gain (loss) on investments	458	-	458	359	-	359
	<u>338,780</u>	<u>20,848</u>	<u>359,628</u>	<u>278,440</u>	<u>(1,798)</u>	<u>276,642</u>
EXPENSES						
Program Expenses:						
Annual conference	8,587	-	8,587	8,755	-	8,755
Conference and travel	14,794	-	14,794	19,741	-	19,741
Grants awarded	250	-	250	-	-	-
Insurance	1,572	-	1,572	1,812	-	1,812
Occupancy	16,571	-	16,571	16,296	-	16,296
Payroll and benefits	189,913	-	189,913	161,096	-	161,096
Payroll taxes	14,486	-	14,486	11,074	-	11,074
Professional services	3,921	-	3,921	8,524	-	8,524
Supplies	2,648	-	2,648	3,868	-	3,868
Telephone and internet	3,567	-	3,567	3,945	-	3,945
Training Seminars	71,207	-	71,207	35,358	-	35,358
Other	-	-	-	1,544	-	1,544
General and administrative	16,624	-	16,624	44,921	-	44,921
	<u>344,140</u>	<u>-</u>	<u>344,140</u>	<u>316,934</u>	<u>-</u>	<u>316,934</u>
Changes in net assets	(5,360)	20,848	15,488	(38,494)	(1,798)	(40,292)
NET ASSETS						
Beginning of year	120,043	156,365	276,408	158,537	158,163	316,700
End of year	<u>\$ 114,683</u>	<u>\$ 177,213</u>	<u>\$ 291,896</u>	<u>\$ 120,043</u>	<u>\$ 156,365</u>	<u>\$ 276,408</u>

NAMI Louisiana, Inc.
Baton Rouge, Louisiana

STATEMENTS OF CASH FLOWS
(See Independent Accountants' Review Report and Notes to Financial Statements)
For the Years Ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Unrestricted Net Assets	\$ 15,488	\$ (40,292)
Adjustments to Reconcile Change in Unrestricted Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	406	2,528
Unrealized loss (gain) on investments	(458)	(359)
Decrease (Increase) in Assets:		
Accounts Receivable	(33,696)	(1,501)
Charitable Remainder Trust Assets	(20,848)	1,798
Prepaid Expenses	-	1,200
Increase (Decrease) in Liabilities:		
Payroll Liabilities	<u>1,187</u>	<u>715</u>
NET CASH USED BY OPERATING ACTIVITIES	(37,921)	(35,911)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of Furniture and Equipment	<u>-</u>	<u>(650)</u>
NET CASH USED BY INVESTING ACTIVITIES	<u>-</u>	<u>(650)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(37,921)	(36,561)
BEGINNING CASH AND CASH EQUIVALENTS	<u>64,916</u>	<u>101,477</u>
ENDING CASH AND CASH EQUIVALENTS	<u>\$ 26,995</u>	<u>\$ 64,916</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS		
Cash and Cash Equivalents, Unrestricted	\$ 26,995	\$ 48,825
Cash and Cash Equivalents, Board Designated	-	16,091
	<u>\$ 26,995</u>	<u>\$ 64,916</u>

NAMI LOUISIANA, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2017 and 2016

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.

Basis of Accounting – The financial statements of the Foundation 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 three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets, which are described as follows:

Unrestricted Net Assets are net assets that are not subject to donor-imposed stipulations and are available for use at NAMI's discretion.

Temporarily Restricted Net Assets are net assets subject to donor-imposed stipulations that may or will be met, either by actions of NAMI and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently Restricted Net Assets are net assets subject to donor-imposed stipulations that NAMI maintains the contribution permanently. Generally, the donors of these assets permit NAMI to use all or part of the income earned on any related investments for general or specific purposes. NAMI had no permanently restricted net assets as of June 30, 2017 and 2016.

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.

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 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.

NAMI LOUISIANA, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2017 and 2016

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 unrestricted, temporarily restricted, or permanently restricted net assets depending on donor stipulations.

Investment income and gains restricted by donors are reported as increases in unrestricted net assets 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 – The Organization 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 the Organization should engage in activities unrelated to the purpose for which it was created, taxable income could result. The Organization has no unrelated business income for the years ended June 30, 2017 and 2016.

Advertising – NAMI follows the policy of charging the costs of advertising to expense as incurred. Advertising expense amounted to \$621 and \$771 for the years ended June 30, 2017 and 2016, respectively.

Charitable Remainder Trust Assets – NAMI is one-third remainder beneficiary of two charitable remainder trusts. Payments to the organization 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 2.4% and 1.8% at June 30, 2017 and 2016, 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 the Organization.

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.

NAMI LOUISIANA, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2017 and 2016

NOTE 2 – FAIR VALUE MEASUREMENT (Continued)

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 investments in the fair value hierarchy.

Investment in a publicly traded common stock is as follows:

	<u>2017</u>		<u>2016</u>	
	<u>Cost</u>	<u>Market</u>	<u>Cost</u>	<u>Market</u>
Equity stock	\$ 92	\$ 13,017	\$ 92	\$ 12,559

The investment returns for the year ended June 30, 2017 and 2016 are as follows:

	<u>2017</u>	<u>2016</u>
Interest	\$ 2	\$ 13
Dividends	347	341
Unrealized gains	458	359
	<u>\$ 807</u>	<u>\$ 713</u>

NOTE 3: PROPERTY

Equipment, related service lives and accumulated depreciation as of June 30, 2017 and 2016 were as follows:

	<u>Estimated Service Lives</u>	<u>FY17</u>	<u>FY16</u>
Office Equipment	5 years	\$ 25,725	\$ 25,725
Website	3 years	9,150	9,150
Less accumulated depreciation		<u>(33,594)</u>	<u>(33,188)</u>
Net		<u>\$ 1,281</u>	<u>\$ 1,687</u>

Depreciation expense was \$406 and \$2,528 for the year ended June 30, 2017 and 2016.

NOTE 4: OPERATING LEASES

NAMI entered into a four year lease for office space beginning July 1, 2015 and ending June 30, 2019. The monthly lease payment is \$1,200. For the years ended June 30, 2017 and 2016, rent expense was \$14,400 and \$13,905, respectively. Future minimum payments for the next two years are \$14,400 a year.

NAMI maintains a five year operating lease for a copy machine beginning in October 2015 and ending in October 2020. The monthly lease payment is \$199 plus additional usage charges. For the years ended June 30, 2017 and 2016, rent expense was \$3,088 and \$2,115, respectively. Future minimum payments for the next two years are \$2,388 per year and \$597 for 2020.

NAMI LOUISIANA, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2017 and 2016

NOTE 5: INCOME TAXES

The Organization 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, 2017 and 2016, the Organization 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, 2017 and 2016. Generally, the tax years before 2014 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 87% and 81% for the year ending June 30, 2017 and 2016, 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. However, as of June 30, 2017 and 2016, NAMI's deposits were covered by insurance provided by the U.S. Federal Deposit Insurance Corporation (FDIC).

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.

NOTE 9: SUBSEQUENT EVENTS

In preparing these financial statements, NAMI has evaluated events and transactions for potential recognition or disclosure through December 19, 2017, the date the financial statements were available to be issued.

NAMI Louisiana, Inc.
Baton Rouge, Louisiana

SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS, AND OTHER PAYMENTS TO
EXECUTIVE OFFICER

For the Year Ended June 30, 2017 and 2016

<u>Executive Director – Nicole McGee</u>	<u>2017</u>	<u>2016</u>
Salary	\$56,124	\$50,926
Travel Reimbursement	\$581	\$977

Independent Accountants' Report
on Applying Agreed-Upon Procedures

To: NAMI Louisiana, Inc. and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by NAMI Louisiana, Inc. and the Louisiana Legislative Auditor (the specified parties), on the Agency's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended June 30, 2017, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The Agency's management is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Federal, State, and Local Awards

1. Obtain the list of federal, state, and local government grant award expenditures for the fiscal year, by grant and grant year, from the Agency's management.

Finding: The Agency provided us with the following list of expenditures made for federal grant awards received during the fiscal year ended June 30, 2017:

Federal, State, or Local Grant Name	Grant Year	CFDA No. (if applicable)	Amount
Department of Health and Hospitals	6-30-17	93.958	\$102,616
Louisiana Department of Health	6-30-17	93.959	\$194,056
Total Expenditures			\$296,672

2. For each federal, state, and local grant award, randomly select six disbursements from each grant administered during the fiscal year, provided that no more than 30 disbursements are selected.
3. Obtain documentation for the disbursements selected in Procedure 2. Compare the selected disbursements to supporting documentation, and report whether the disbursements agree to the amount and payee in the supporting documentation.

Finding: Each of the selected disbursements agreed to the amount and payee in the supporting documentation.

4. Report whether the selected disbursements were coded to the correct fund and general ledger account.

Finding: Per review of the supporting documentation, the disbursements were coded to the correct fund and general ledger account.

5. Report whether the selected disbursements were approved in accordance with the Agency's policies and procedures.

Finding: The Agency's policies and procedures state that the executive director must approve all disbursements, with subsequent approval by the full board. Documentation supporting each of the selected disbursements included the signature of the executive director. In addition, approval by the full board for each of the disbursements was traced to the Agency's minute book.

6. For each selected disbursement made for federal grant awards, obtain the *Compliance Supplement* for the applicable federal program. For each disbursement made for a state or local grant award, or for a federal program not included in the *Compliance Supplement*, obtain the grant agreement. Compare the documentation for each disbursement to the program compliance requirements or the requirements of the grant agreement relating to activities allowed or unallowed, eligibility, and reporting; and report whether the disbursements comply with these requirements.

Activities allowed or unallowed

There were no exceptions noted.

Eligibility

We compared documentation for each of the selected disbursements with program compliance requirements related to eligibility. There were no exceptions noted.

Reporting

We compared documentation for each of the selected disbursements with program compliance requirements related to reporting. There were no exceptions noted.

7. Obtain the close-out reports, if required, for any program selected in Procedure 2 that was closed out during the fiscal year. Compare the close-out reports, if applicable, with the Agency's financial records; and report whether the amounts in the close-out reports agree with the Agency's financial records. –Not Applicable, no close out reports.

Open Meetings-Not Required

8. Obtain evidence from management that agendas for meetings recorded in the minute book were posted as required by Louisiana Revised Statute 42:11 through 42:28 (the open meetings law), and report whether there are any exceptions. Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meeting FAQs," available on the Legislative Auditor's website at <http://app1.la.state.la.us/llala.nsf>, to determine whether a non-profit agency is subject to the open meetings law.

Budget

9. For each grant exceeding five thousand dollars, obtain the comprehensive grant budgets that the agency provided to the applicable federal, state or local grantor agency. Report whether the budgets for federal, state and local grants included the purpose and duration of the grants; and whether budgets for state grants also included specific goals, objectives, and measures of performance.

Finding: The Agency provided documentation that comprehensive budgets were submitted to the applicable federal grantor agency for the grants exceeding five thousand dollars. These budgets included the purpose and duration of the grant program.



Prior-Year Comments-None

10. Obtain and report management's representation as to whether any prior year suggestions, exceptions, recommendations, and/or comments have been resolved.

Finding: The prior year review was prepared by another CPA and did not include the attestation report.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Agency's compliance with the foregoing matters. 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.

The purpose of this report is solely to describe the scope of testing performed on the Agency's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, 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 Louisiana Legislative Auditor as a public document.

TWRU

CPAs and Financial Advisors

December 19, 2017

ATTACHMENTS:

SIGNED LOUISIANA ATTESTATION QUESTIONNAIRE

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Agencies)

December 19, 2017 (Date Transmitted)

TWRU CPAs & Financial Advisors (CPA Firm Name)
527 E Airport (CPA Firm Address)
Baton Rouge, LA 70806 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of June 30, 2017 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Federal, State, and Local Awards

We have detailed for you the amount of federal, state, and local award expenditures for the fiscal year, by grant and grant year.

Yes [x] No []

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and local grantor officials.

Yes [x] No []

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes [x] No []

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes [x] No []

Open Meetings-NA

Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law). Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meeting FAQs," available on the Legislative Auditor's website at <http://app1.la.state.la.us/llala.nsf>, to determine whether a non-profit agency is subject to the open meetings law.

Yes [] No []

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes [x] No []

Reporting

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes [x] No []

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes [x] No []

General

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes [x] No []

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes [x] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes [x] No []

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.

Yes [x] No []

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.

Yes [x] No []

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Yes [x] No []

The previous responses have been made to the best of our belief and knowledge.

<u>W. Bates</u>	Secretary	<u>12/18/17</u>	Date
<u>Anthony G. Prout</u>	Treasurer	<u>12/18/17</u>	Date
<u>W. C. Cullen</u>	President	<u>12/15/17</u>	Date