

The Extra Mile, Region VI, Inc.

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT

June 30, 2025

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INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinion

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, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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, 2025, 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.

Basis for Opinion

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. 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 Extra Mile, Region VI, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Substantial Doubt about the Organization's Ability to Continue as Going Concern

The accompanying financial statements have been prepared assuming that the Organization will continue as a going concern. As discussed in Note M to the financial statements, the Organization discontinued operations and donated all assets and liabilities to The Extra Mile, Region IV, Inc. on July 1, 2025. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to that matter.

Responsibilities of Management 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, 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 Extra Mile, Region VI, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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, but not for the purpose of expressing an opinion on the effectiveness of The Extra Mile, Region VI, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Extra Mile, Region VI, Inc.'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.

Supplementary Information

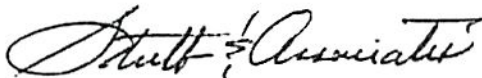
Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer is presented for purposes of additional analysis and is also not a required part of the basic financial statements.

The schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer 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 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, Benefits, and Other Payments to Agency Head or Chief Executive Officer 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 June 8, 2026, 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 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 cursive script that reads "Stulb & Associates".

Lake Charles, Louisiana
June 8, 2026

The Extra Mile, Region VI, Inc.
STATEMENT OF FINANCIAL POSITION
June 30, 2025

	<u>2025</u>
ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	\$ 84,214
Grants and programs receivable	161,560
Advance to The Extra Mile Region IV, Inc.	50,000
Other current assets	1,368
Prepaid expenses	<u>3,751</u>
Total Current Assets	300,893
INVESTMENTS	312,681
PROPERTY AND EQUIPMENT, Net	14,082
RIGHT OF USE LEASE ASSETS, Net	57,807
SECURITY DEPOSITS	<u>2,125</u>
TOTAL ASSETS	<u>\$ 687,588</u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Deposits held on behalf of others	\$ 15,290
Current portion of operating lease liabilities	42,751
Current portion of financing lease liabilities	1,364
Accrued liabilities	<u>25,368</u>
Total Current Liabilities	84,773
OPERATING LEASE LIABILITIES, less current portion	14,610
FINANCING LEASE LIABILITIES, less current portion	<u>4,753</u>
Total Liabilities	104,136
NET ASSETS	
Without donor restrictions	<u>583,452</u>
Total Net Assets	<u>583,452</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 687,588</u>

See accompanying notes and accountants' report

The Extra Mile, Region VI, Inc.
STATEMENT OF ACTIVITIES
For the Year ended June 30, 2025

	2025		
	<u>Without</u>	<u>With Donor</u>	<u>Total</u>
	<u>Donor</u>	<u>Restrictions</u>	
	<u>Restrictions</u>	<u>Restrictions</u>	<u>Total</u>
Revenues and Gains			
Grants and contracts	\$ -	\$ 715,773	\$ 715,773
Program service fees	-	351,370	351,370
Interest and dividends	12,406	-	12,406
Net realized and unrealized gains on investments	42,763	-	42,763
Total Revenue and Gains	55,169	1,067,143	1,122,312
Net Assets Released from Restrictions	1,067,143	(1,067,143)	-
Total Revenue, Support, and Gains	1,122,312	-	1,122,312
Expenses			
Program service	1,103,601	-	1,103,601
Management and general	170,888	-	170,888
Total Expenses	1,274,489	-	1,274,489
Increase (Decrease) in Net Assets	(152,177)	-	(152,177)
Net Assets at Beginning of Year	735,629	-	735,629
Net Assets at End of Year	<u>\$ 583,452</u>	<u>\$ -</u>	<u>\$ 583,452</u>

See accompanying notes and accountants' report

The Extra Mile, Region VI, Inc.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2025

	<u>Program Services</u>	<u>Support Services</u>	
<u>Functional Expenses</u>	<u>Total Program Services</u>	<u>Management and General</u>	<u>Total</u>
Salaries and stipends	\$ 669,522	\$ 45,016	\$ 714,538
Related benefits	65,417	6,212	71,629
Travel	13,385	-	13,385
Operating services	297,142	62,176	359,318
Supplies	30,311	3,594	33,905
Professional fees	23,714	43,941	67,655
Interest expense	1,375	2,553	3,928
Depreciation	2,735	7,396	10,131
Total expenses	\$ <u>1,103,601</u>	\$ <u>170,888</u>	\$ <u>1,274,489</u>

See accompanying notes and accountants' report

The Extra Mile, Region VI, Inc.
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2025

	<u>2025</u>
Cash Flows from Operating Activities	
Change in Net Assets	\$ (152,177)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:	
Depreciation	10,131
Net realized and unrealized (gains) losses on investments	(42,763)
Interest and dividends earned on investments	(12,394)
Decrease (Increase) in operating assets:	
Grants and programs receivable	6,820
Advance to The Extra Mile Region IV, Inc.	(50,000)
Prepaid expenses	5,790
Other current assets	(406)
Increase (Decrease) in operating liabilities:	
Accrued liabilities	(3,624)
Deposits held on behalf of others	(138)
Total Adjustments	<u>(86,584)</u>
Net Cash Provided (Used) by Operating Activities	(238,761)
Cash Flows from Investing Activities	
Purchases of investments	(1,953)
Proceeds from sale of investments	<u>103,885</u>
Net Cash Provided (Used) by Investing Activities	101,932
Cash Flows from Financing Activities	
Principle payments on finance leases	<u>(1,385)</u>
Net Cash Provided (Used) by Financing Activities	<u>(1,385)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(138,214)
Cash and Cash Equivalents - Beginning of Year	<u>222,428</u>
Cash and Cash Equivalents - End of Year	<u><u>\$ 84,214</u></u>
Supplemental Disclosures	
Cash paid for interest	<u><u>\$ 3,928</u></u>

See accompanying notes and accountants' report

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of The Extra Mile, Region VI, Inc. is presented to assist in understanding The Extra Mile's financial statements.

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 Organization is a nonprofit, community-based program governed by a volunteer board of directors. The Organization administers several programs for the benefit of persons with mental health, retardation, and/or developmental disabilities, substance abuse problems and families involved with the child welfare system. Its activities are in Rapides Parish. Effective July 1, 2025, the Organization's assets and liabilities were donated to The Extra Mile, Region IV, Inc.

Basis of Accounting

The accompanying financial statements presented herein 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.

Financial Statement Presentation

The accompanying financial statements have been prepared in accordance with U.S. generally accepted accounting principles, which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. The Organization does not have any net assets with donor restrictions.

Cash and Cash Equivalents

Cash and cash equivalents consist of checking and savings accounts and amounts classified as cash or cash equivalents in the investment account, if any.

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Prepaid Expenses

Prepaid expenses consist of insurance payments that cover periods beyond June 30, 2025.

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.

Property and Equipment

The Organization capitalizes all expenditures in excess of \$500 for property and equipment at cost, or if donated, at the approximate fair value at the date of donation. Depreciation is provided for in an amount sufficient to relate the cost of depreciable assets to operations over their estimated service lives on the straight-line basis. Depreciation expense during the year ended June 30, 2025 was \$10,131.

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.

Leases

The Organization entered into an operating lease on November 1, 2019 for its location at 2201 Melrose Street in Pineville, Louisiana. They have also entered into a financing copier lease on November 1, 2024. The Organization accounts for leases in accordance with ASC Topic 842: *Leases*, which establishes a right-of-use model that requires a lessee to record a right-of-use asset ("ROU") and a lease liability on the Statement of Net Position for all leases with initial terms longer than 12 months. Right-of-use assets represent a right to use an underlying asset for the lease term and lease liabilities represent an obligation to make lease payments arising from the lease. Lease right-of-use assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term including as applicable, options to extend or terminate the lease if it is reasonably certain to do so. When the lease does not provide an implicit rate, the current incremental borrowing rate is used in determining the present value of the lease payments.

Accrued Annual Leave

Accrued 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.

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Accrued Annual Leave- continued

Employees carry over a maximum of 80 hours of paid time off into each successive calendar year. Any amount in excess of this is lost. This policy was enacted in the handbook update in August of 2021. Wages in lieu of paid time off is not allowed except at termination, in which case the remaining PTO at the time of termination or retirement is paid in full with the final paycheck. In rare cases, paid leave may be advanced from vacation leave for emergencies. This requires the authorization of the Board President (in the case of the Executive Director) or the Executive Director (in all other cases).

Revenue Recognition

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

Program service fees apply to exchange transactions with customers that are bound by contracts or similar arrangements and establish a performance obligation approach to revenue recognition. Due to the nature of these transactions, revenue and potential related expenses are influenced by economic factors, such as time of year, health standards, and political mandates. Most programs fees are established by the contracting agency. The services provided are not separately priced and are, therefore, considered to be one performance obligation, which is satisfied at the completion of the service. Payment is due upon receipt of the invoice.

Support and Expenses

The Organization receives a substantial amount of its revenues from contracts with Federal, State, and Parish agencies. Contract revenues, in the case of reimbursement contracts, are recognized as the expense for the contract is incurred. Other revenues are recognized as earned.

Expenses are recorded as incurred in accordance with the accrual basis of accounting.

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(C) (3) of the Internal Revenue Code and therefore has made no provision for federal income taxes in the accompanying financial statements. In addition, The Organization has been determined by the Internal Revenue Service not to be a “private foundation” within the meaning of Section 509(a) of the Internal Revenue Code. There was no unrelated business income for the year ended June 30, 2025.

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Donated Materials and Services

Donated materials are reflected as contributions of nonfinancial assets at their estimated value at the date of receipt and are recorded as expenses for current operations. The Organization does not sell donated materials received but utilizes these donations for its own programs and supporting services. No amounts have been reflected in the financial statements for donated materials.

The Organization receives donated services from numerous individuals who volunteer their time to assist the Organization with specific programs and various fundraising activities. Donated services that require specialized skills are provided by individuals possessing those skills. These services would typically be purchased if not provided through donation and are recorded at fair value in the period received. 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 Organization pays for most services requiring specific expertise.

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a program basis in the statement of activities. This requires the allocation of certain cost between programs and supporting services based on estimates made by management. Certain expenses included in operating services, such as rent, lease, utilities, copier, yard maintenance, internet, and computer expenses, are allocated to the functional area benefited based on estimated square footage and usage of space. Other expenses such as salaries and related benefits are allocated to the functional area benefited based on management estimate of time and effort.

Use of 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.

NOTE B CASH

The Organization 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, 2025, the Organization's demand deposit accounts were fully insured.

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

NOTE C GRANTS AND PROGRAMS RECEIVABLE

Grants and programs receivable represents amounts due from various Federal, State, and Parish agencies reported at their unpaid balance and are deemed to be fully collectible by management. Collection losses have historically been immaterial, and management concluded that, based on its review of balances outstanding, a valuation allowance was not needed. Management writes off balances at the time they are deemed uncollectible.

NOTE D INVESTMENTS

The Organization 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 Organization 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 as of June 30, 2025 are as follows:

Description	Cost	Fair Value (Level 1)
Capital Income Builder Fund	\$105,129	\$144,017
Income Fund of America, Inc.	<u>129,178</u>	<u>168,663</u>
Total	<u>\$234,307</u>	<u>\$312,680</u>

Investment income is composed of the following for the year ended June 30, 2025:

Interest and dividends	\$ 12,406
Net realized gain	31,095
Net unrealized gain	<u>11,668</u>
	<u>\$ 55,169</u>

NOTE E PROPERTY AND EQUIPMENT

A summary of capital assets for the year ended June 30, 2025 is as follows:

	Cost	Accumulated Depreciation	Net
Vehicles	\$64,918	\$64,918	\$ -
Furniture and equipment	<u>85,352</u>	<u>71,270</u>	<u>14,082</u>
Total	<u>\$152,695</u>	<u>\$136,996</u>	<u>\$15,699</u>

The Extra Mile, Region VI, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

NOTE F LEASES

Lease payable, lease expense and lease interest expense related to its long-term operating lease as of June 30, 2025 is as follows:

<u>Property/Term</u>	<u>Lease Date</u>	<u>Lease Payable</u>	<u>Lease Expense</u>	<u>Interest</u>
2201 Melrose 7 year	11/1/2019	\$57,361	\$38,798	\$2,992

Lease payable, lease expense and lease interest expense related to its long-term financing lease as of June 30, 2025 is as follows:

<u>Property/Term</u>	<u>Lease Date</u>	<u>Lease Payable</u>	<u>Lease Expense</u>	<u>Interest</u>
Copier/ 5 year	11/1/2024	\$6,118	\$935	\$90

5 year future payments due under the terms of the lease are as follows:

Year ended June 30,	Operating		Financing	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2026	\$42,751	\$1,421	\$1,364	\$112
2027	14,610	114	1,393	84
2028	-	-	1,421	55
2029	-	-	1,450	26
2030	-	-	490	2
	<u>\$57,361</u>	<u>\$1,535</u>	<u>\$6,118</u>	<u>\$279</u>

The following summarized the line items in the statement of financial position which include amounts for leases as of June 30, 2025:

Operating lease right-of-use asset, net	\$51,730
Financing right-of-use asset, net	<u>6,077</u>
	<u>\$57,807</u>
Weighted average discount rate	
Operating lease	3.75%
Financing lease	2.03%
Weighted average remaining lease term	
Operating lease	1.34 years
Financing lease	4.34 years

Supplemental cash flow information related to long-term leases as of June 30, 2025 was as follows:

Cash paid for amounts included in the measurement of lease liabilities:	
Operating lease	<u>\$41,180</u>
Lease assets obtained in exchange for lease obligations	<u>\$ 7,012</u>

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

NOTE G DEPOSITS HELD ON BEHALF OF OTHERS

Deposits held on behalf of others represent cash held by the Organization 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 Organization.

NOTE H CONCENTRATIONS

Financial instruments that are exposed to credit risk include cash, investments, and grants and programs receivable. The Organization maintains its cash accounts in commercial banks. Accounts at the commercial banks are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Cash as of June 30, 2025 was fully insured. Grants and programs receivable are principally with the State of Louisiana, Department of Health and Hospitals, Central Louisiana Human Services District, and Louisiana Clinical Services.

Investments include securities that are traded on national stock exchanges and are subject to fluctuations in value. Investments in marketable securities held in the Organization'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 Organization from losses on investments resulting from market and economic conditions.

NOTE I RISKS AND UNCERTAINTIES

The Organization 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 Organization receives could be reduced significantly, resulting in an adverse impact on its operations. All contracts for the Organization were renewed as of July 1, 2025 with The Extra Mile, Region IV, Inc. in conjunction with the donation of all assets and liabilities. Management is not aware of any actions that would adversely affect the amount of the contract renewals.

NOTE J RETIREMENT PLAN

The Organization 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, 2025, totaled \$705.

The Extra Mile, Region VI, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

NOTE K 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 remaining net assets with donor restrictions at June 30, 2025.

NOTE L LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The following reflects the Organization's financial assets as of June 30, 2025, 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.

Financial assets at year end:	
Cash and cash equivalents	\$84,146
Grants and programs receivable	161,560
Investments	<u>312,681</u>
Financial assets at year-end	558,387
Less amounts not available to be used within one year:	
Current portion of operating lease liabilities	(42,751)
Current portion of financing lease liabilities	(1,364)
Deposits held on behalf of others	<u>(15,290)</u>
Total amount not available to be used within one year	<u>(59,405)</u>
Total Financial assets available to meet cash needs for general expenditure within one year	<u>\$498,982</u>

NOTE M GOING CONCERN

On March 11, 2025, the Board of Directors passed a resolution to discontinue operations as The Extra Mile, Region VI. The resolution provided that all assets and liabilities of the Organization be donated to The Extra Mile, Region IV, Inc. with an effective date of July 1, 2025. The program contracts of The Extra Mile, Region VI, Inc. were also renewed on July 1, 2025 in the name of The Extra Mile, Region IV, Inc. The Organization paid \$50,000 to The Extra Mile, Region IV, Inc. on June 28, 2025 and is recorded as an advance in the financial statements.

NOTE N SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through June 8, 2026, the date which the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

The Extra Mile, Region VI, Inc.

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER

For the Year ended June 30, 2025

AGENCY HEAD NAME: Daren Dauzat, Executive Director

For the period July 1, 2024 through January 10, 2025

Date of termination and no replacement Director was hired

<u>PURPOSE</u>	<u>AMOUNT</u>
Salary	\$33,717
Benefits	
Social Security and Medicare	2,579
SUTA Paid	<u>135</u>
TOTAL	<u>\$36,431</u>

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of The Extra Mile, Region VI, 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 June 8, 2026.

Report on 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) as a basis for designing 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 organization'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 the 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2025-1 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

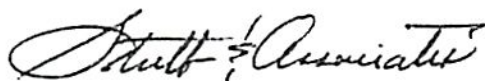
As part of obtaining reasonable assurance about whether The Extra Mile, Region VI, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a 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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards*, described in the accompanying schedule of findings and responses as item 2025-2.

The Extra Mile, Region VI, Inc.'s Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on The Extra Mile, Region VI, Inc.'s response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The Extra Mile, Region VI, Inc.'s responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Lake Charles, Louisiana
June 8, 2026

The Extra Mile, Region VI, Inc.

SCHEDULE OF FINDINGS AND RESPONSES

Section I – Summary of Auditors’ Results

June 30, 2025

Financial Statements

Type of auditors’ report issued:

Unmodified

Internal control over financial reporting:

- Material weakness identified? ☐ Yes ☒ No
- Significant Deficiency(ies) identified that are not considered to be material weaknesses? ☒ Yes ☐ None Reported
- Noncompliance material to financial statements noted? ☒ Yes ☐ No

Section II – Financial Statement Findings

Current Audit

2025-1

Authorized Pay Rates

Criteria: The objectives of internal controls include providing management with reasonable assurance that transactions are executed in accordance with management’s authorization and recorded properly to permit the preparation of financial statements in accordance with principles generally accepted in the United States of America.

Condition: The Organization’s employees’ personnel files do not include an authorization of their current rate of pay.

Cause: Employees’ personnel files were not updated with current rates of pay once approved.

Effect: Employees’ rates of pay were unable to be verified with the rate approved by management.

Recommendation: We recommend that employees’ personnel files include an authorization of their current rate of pay. These authorized pay rates should periodically be compared to the pay rates used in the payroll system as a check that the correct rates are being used.

Response: Management is implementing a policy with recently hired employees that requires them to sign and acknowledge their rate of pay before any work is performed. This acknowledgment is then placed into their personnel files. Management is in the process of updating existing employees’ personnel files with rate of pay acknowledgements as well. These pay rates will then be checked against the payroll system periodically to verify that their rate of pay is correct for all employees.

2025-2

Financial Statement Filing Deadline

Criteria: Louisiana Revised Statutes requires annual audited financial statements to be submitted to the Louisiana Legislative Auditor's office within six months of the close of the fiscal year.

Condition: The Organization did not comply with the revised statute that requires financial statements to be filed with the Louisiana Legislative Auditor's office within six months of the close the fiscal year.

Cause: The Organization donated all of the assets to The Extra Mile, Region IV, Inc. on July 1, 2025 and did not maintain adequate records to complete the audit in a timely manner.

Effect: The Organization was not in compliance with the Louisiana revised statutes.

Recommendation: The Organization has donated all of their assets to another Organization and will not require an audit in the future.

Response: The Organization will engage an auditor in a timely manner if an audit is required in the future.

Section III – Summary Schedule of Prior Audit Findings

2024-001

Authorized Pay Rates

Condition: The Organization's employees' personnel files do not include an authorization of their current rate of pay.

Response: Management is implementing a policy with recently hired employees that requires them to sign and acknowledge their rate of pay before any work is performed. This acknowledgment is then placed into their personnel files. Management is in the process of updating existing employees' personnel files with rate of pay acknowledgements as well. These pay rates will then be checked against the payroll system periodically to verify that their rate of pay is correct for all employees.

INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of The Extra Mile, Region VI, Inc. (Entity) 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. The Entity's management is responsible for those C/C areas identified in the SAUPs.

The Entity 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 that 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.

We performed the procedure above and noted no exceptions.

- 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.

We performed the procedure above and noted the following exceptions:
The Entity does not state how vendors are added to the vendor list.

- iii. ***Disbursements***, including processing, reviewing, and approving.

We performed the procedure above and noted no exceptions.

- 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).

We performed the procedure above and noted no exceptions.

- 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(s) rate of pay or approval and maintenance of pay rate schedules.

We performed the procedure above and noted the following exceptions:

The Entity does not include the written process for approval of employee pay rates or 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.

We performed the procedure above and noted the following exceptions:

The Entity does not describe the types of services requiring written contracts or whether legal review of contracts is required prior to approval.

- vii. **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

We performed the procedure above and noted no exceptions.

- viii. **Credit Cards (and debit cards, fuel cards, P-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).

We performed the procedure above and noted no exceptions.

- 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.

The Entity is a Nonprofit Organization and therefore the Ethics requirements are not applicable.

- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

The Entity does not maintain a written debt service policy.

- 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.

We performed the procedure above and noted no exceptions.

- 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.

The Entity is a Nonprofit Organization and therefore the Prevention of Sexual Harassment requirements are not applicable.

Management response:

The Organization passed a resolution to discontinue operations and donated all of their assets and liabilities to The Extra Mile, Region IV, Inc. on July 1, 2025.

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.
 - ii. For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit 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.*
 - 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.
 - 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.

We performed the procedure above and noted the following exceptions:

The board received verbal updates, not written updates, on the progress of resolving prior audit findings.

The Organization did not maintain adequate records to document one of the monthly board meeting minutes and was unable to provide minutes for one of the meetings during the year ending June 30, 2025.

Management response:

The Organization passed a resolution to discontinue operations and donated all of their assets and liabilities to The Extra Mile, Region IV, Inc. on July 1, 2025.

3) Bank Reconciliations

There were no exceptions identified in this category for the year ending June 30, 2024 (Year 1), therefore this category is excluded from retesting for the year ending June 30, 2025 (Year 2).

4) Collections (excluding electronic funds transfers)

There were no exceptions identified in this category for the year ending June 30, 2024 (Year 1), therefore this category is excluded from retesting for the year ending June 30, 2025 (Year 2).

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

There were no exceptions identified in this category for the year ending June 30, 2024 (Year 1), therefore this category is excluded from retesting for the year ending June 30, 2025 (Year 2).

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

There were no exceptions identified in this category for the year ending June 30, 2024 (Year 1), therefore this category is excluded from retesting for the year ending June 30, 2025 (Year 2).

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 that 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);
- ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
- iii. Observe that 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 Policies and Procedures procedure #1A(vii); and
- iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

We performed the procedure above and noted the following exceptions:

Payee	Amount	Exception Noted
Donna Desoto	\$389.94	No documentation of written approval
Kim Kretzsinger	\$205.44	No documentation of written approval

8) Contracts

There were no exceptions identified in this category for the year ending June 30, 2024 (Year 1), therefore this category is excluded from retesting for the year ending June 30, 2025 (Year 2).

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.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and 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.
 - i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
 - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- 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 and 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's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.
- 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) have been paid, and any associated forms have been filed, by required deadlines.

We performed the procedures above and noted the following exception:

We noted that five (5) of the five (5) employees tested did not have their current pay rates documented in their personnel file.

Management response:

The Organization passed a resolution to discontinue operations and donated all of their assets and liabilities to The Extra Mile, Region IV, Inc. on July 1, 2025.

10) Ethics

The Entity is a Nonprofit Organization and therefore the Ethics requirements are not applicable.

11) Debt Service

There were no exceptions identified in this category for the year ending June 30, 2024 (Year 1), therefore this category is excluded from retesting for the year ending June 30, 2025 (Year 2).

12) Fraud Notice

There were no exceptions identified in this category for the year ending June 30, 2024 (Year 1), therefore this category is excluded from retesting for the year ending June 30, 2025 (Year 2).

13) Information Technology Disaster Recovery/Business Continuity

The audit for the year ending June 30, 2024 (Year 1) was submitted on time and therefore this category is excluded from retesting for the year ending June 30, 2025 (Year 2).

14) Prevention of Sexual Harassment

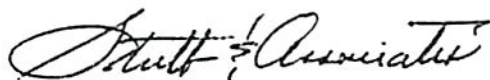
The Entity is a Nonprofit Organization and therefore the Prevention of Sexual Harassment requirements are not applicable.

We were engaged by The Extra Mile, Region VI, 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 The Extra Mile, Region VI, 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.



Lake Charles, Louisiana
June 8, 2026