

The Extra Mile Region VI, Inc.

Pineville, Louisiana

June 30, 2024

The Extra Mile Region VI, Inc.

June 30, 2024

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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 Audit of 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, 2024, 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 present fairly, in all material respects, the financial position of The Extra Mile Region VI, Inc. as of June 30, 2024, 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 *Governmental 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 opinions.

Responsibilities of Management for the Financial Statements

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





PAYNE, MOORE & HERRINGTON, LLP

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

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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 IV, 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Extra Mile Region IV, Inc.'s ability to continue as a going concern for a reasonable period of time.



PAYNE, MOORE & HERRINGTON, LLP

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

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 accompanying schedule of compensation, benefits, and other payments to the agency head or chief executive officer on page 21 is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is also 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 supplementary 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 11, 2024, 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.

Payne, Moore & Herrington, LLP

Certified Public Accountants
Alexandria, Louisiana

November 11, 2024

The Extra Mile Region VI, Inc.
Statement of Financial Position
June 30, 2024

Exhibit A

Assets

Current Assets

Cash and cash equivalents	\$ 222,428
Grants and programs receivable	168,380
Other current assets	962
Prepaid expenses	<u>9,541</u>
Total Current Assets	401,311

Investments	349,978
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Furniture, Equipment and Vehicles - Net of Depreciation	26,638
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Right-of-Use Lease Assets	105,568
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Other Assets	<u>2,125</u>
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Total Assets	<u><u>\$ 885,620</u></u>
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Liabilities and Net Assets

Current Liabilities

Accrued annual leave	12,142
Accrued salaries	16,297
Other accrued liabilities	553
Deposits held on behalf of others	15,428
Current portion of right-of-use operating lease liability	43,857
Current portion of right-of-use financing lease liability	<u>491</u>
Total Current Liabilities	88,768

Right-of-Use Lease Liabilities

Right-of-use operating lease liability, net of current portion	<u>61,223</u>
Total Right-of-Use Lease Liabilities	61,223

Net Assets

Without donor restrictions	<u>735,629</u>
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Total Liabilities and Net Assets	<u><u>\$ 885,620</u></u>
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The accompanying notes are an integral part of the financial statements.

The Extra Mile Region VI, Inc.
Statement of Activities
Year Ended June 30, 2024

Exhibit B

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains (Losses), and Other Support			
Government grants	\$ -	\$ 986,465	\$ 986,465
Program service fees	-	379,381	379,381
Administrative reimbursement	61	-	61
Contributions of cash and other financial assets	11,254	833	12,087
Interest and dividends	13,323	-	13,323
Miscellaneous	6,909	-	6,909
Gain (loss) on disposal of fixed assets	(13,710)	-	(13,710)
Net realized and unrealized gains (losses) on investments	20,684	-	20,684
Net assets released from restrictions	1,366,679	(1,366,679)	-
Total Revenues, Gains (Losses), and Other Support	1,405,200	-	1,405,200
Expenses			
Program Services			
Adult Consumer Care Resources Program	157,159	-	157,159
Child Consumer Care and Adult Housing Program	56,052	-	56,052
Care Coordinator	154,048	-	154,048
Drop-In Centers Program	111,818	-	111,818
EDS Program	8,453	-	8,453
The Extra Mile Core Program	74,128	-	74,128
Clothes Closet/Food Pantry Program	53,094	-	53,094
Gift Shop Program	15	-	15
PALSII Program	221	-	221
Consumer Liason	19,154	-	19,154
Employment Development Program	34,291	-	34,291
Kids Don't Gamble Wanna Bet	122,838	-	122,838
Life Skills Training Program	71,077	-	71,077
Louisiana Partnership for Success II	66,547	-	66,547
Spring Workshop	9,978	-	9,978
Shredding Program	4,289	-	4,289
Assertive Community Outreach Specialist	66	-	66
American Rescue Plan Act	39,963	-	39,963
Crisis Navigation	223,076	-	223,076
Faith Based Community Engagement	72,231	-	72,231
Contingency Management	2,050	-	2,050
Total Program Services	1,280,548	-	1,280,548
Support Services			
Management and general	168,275	-	168,275
Total Expenses	1,448,823	-	1,448,823
Change in Net Assets	(43,623)	-	(43,623)
Net Assets, Beginning of Year	779,252	-	779,252
Net Assets, End of Year	<u>\$ 735,629</u>	<u>\$ -</u>	<u>\$ 735,629</u>

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, 2024

Exhibit C
(Continued)

	Program Services							
	Adult Consumer Care Resources Program	Child Consumer Care & Adult Housing Program	Care Coordinator	Drop-In Centers Program	EDS Program	The Extra Mile Core Program	Clothes Closet/ Food Pantry Program	Gift Shop Program
Personal services	\$ 39,319	\$ 2,843	127,808	\$ 44,647	\$ 7,456	\$ 64,253	\$ 5,635	\$ -
Related benefits	4,789	453	12,555	4,877	826	8,814	726	15
Travel	-	-	43	-	-	77	-	-
Operating services	110,051	52,756	11,908	49,678	171	950	45,165	-
Supplies	-	-	-	12,245	-	34	749	-
Professional fees	-	-	-	-	-	-	-	-
Interest	-	-	-	3	-	-	7	-
Amortization	-	-	36	368	-	-	812	-
Depreciation	3,000	-	1,698	-	-	-	-	-
Totals	\$ 157,159	\$ 56,052	\$ 154,048	\$ 111,818	\$ 8,453	\$ 74,128	\$ 53,094	\$ 15

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, 2024

Exhibit C
(Continued)

	Program Services							
	<u>PALSII Program</u>	<u>Consumer Liason</u>	<u>Employment Development Program</u>	<u>Kids Don't Gamble Wanna Bet</u>	<u>Life Skills Training Program</u>	<u>Louisiana Partnership for Success II</u>	<u>Spring Workshop</u>	<u>Shredding Program</u>
Personal services	\$ -	\$ 8,248	\$ 23,176	\$ 105,408	\$ 58,208	\$ 38,000	\$ -	\$ 160
Related benefits	221	856	2,578	10,276	5,715	3,695	-	34
Travel	-	1,425	38	3,157	3,157	2,572	-	-
Operating services	-	4,133	3,883	3,370	3,370	4,949	9,978	3,761
Supplies	-	4,471	4,597	604	604	881	-	256
Professional fees	-	-	-	-	-	16,450	-	-
Interest	-	-	-	-	-	-	-	1
Amortization	-	21	19	23	23	-	-	77
Depreciation	-	-	-	-	-	-	-	-
Totals	<u>\$ 221</u>	<u>\$ 19,154</u>	<u>\$ 34,291</u>	<u>\$ 122,838</u>	<u>\$ 71,077</u>	<u>\$ 66,547</u>	<u>\$ 9,978</u>	<u>\$ 4,289</u>

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, 2024

Exhibit C
(Concluded)

	Program Services						Support Services	Total
	Assertive Community Outreach Specialist	American Rescue Plan Act	Crisis Navigation	Faith Based Community Engagement	Contingency Management	Total Program Services	Management and General	
Personal services	-	\$ -	\$ 201,884	\$ 61,613	-	\$ 788,658	\$ 52,972	\$ 841,630
Related benefits	62	-	19,536	8,456	-	84,484	7,331	91,815
Travel	-	119	322	1,071	-	11,981	-	11,981
Operating services	4	39,666	1,334	341	2,050	347,518	61,675	409,193
Supplies	-	178	-	750	-	25,369	3,004	28,373
Professional fees	-	-	-	-	-	16,450	30,482	46,932
Interest	-	-	-	-	-	11	-	11
Amortization	-	-	-	-	-	1,379	82	1,461
Depreciation	-	-	-	-	-	4,698	12,729	17,427
Totals	\$ 66	\$ 39,963	\$ 223,076	\$ 72,231	\$ 2,050	\$ 1,280,548	\$ 168,275	\$ 1,448,823

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, 2024

Exhibit D

Cash Flows from Operating Activities

Change in net assets	\$ (43,623)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:	
Depreciation and amortization	18,888
Net realized and unrealized (gains) losses on investments	(20,684)
Loss (gain) on disposal of fixed assets	13,710
Changes in operating assets and liabilities:	
Grants and programs receivable	(3,154)
Prepaid expenses	5,867
Accounts payable	(2,584)
Accrued salaries	(35)
Other accrued liabilities	44
Deposits held on behalf of others	119
Net Cash Provided by (Used in) Operating Activities	(31,452)

Cash Flows from Investing Activities

Purchases of investments	(1,385)
Proceeds from sale of investments	68,352
Proceeds from sale of fixed assets	19,925
Net Cash Provided by (Used in) Investing Activities	86,892

Cash Flows from Financing Activities

Principal payments on finance leases	(1,465)
Net Cash Provided by (Used in) Financing Activities	(1,465)

Net Increase (Decrease) in Cash 53,975

Cash, Beginning of Year 168,453

Cash, End of Year **\$ 222,428**

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. There were no income taxes paid during the year.
3. Interest paid

\$ 11

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

The Extra Mile Region VI, Inc.
June 30, 2024

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.

New Accounting Standard

On July 1, 2023, The Extra Mile Region VI, Inc. adopted Accounting Standards Update No. 2016-13 – *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* (ASC 326), as amended, which replaces the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss (CECL) methodology. CECL requires an estimate of credit losses for the remaining estimated life of the financial asset using historical experience, current conditions, and reasonable and supportable forecasts and generally applies to financial assets measured at amortized cost, including loan receivables and held-to-maturity debt securities. Financial assets measure at amortized cost will be presented at the net amount expected to be collected by using an allowance for credit losses. In addition, ASC 326 made changes to the accounting for available-for-sale debt securities. One such change is to require credit losses to be presented as an allowance rather than as a write-down on available-for-sale debt securities management does not intend to sell or believes that it is more likely than not they will be required to sell. Other than incorporating the new methodology for credit losses in their policies and related name changes and disclosures, the implementation of this standard did not have a material effect 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, 2024

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.

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.

Prepaid Expenses

Prepaid expenses consist of insurance payments that cover periods beyond June 30, 2024.

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.

The Extra Mile Region VI, Inc.
June 30, 2024

Notes to Financial Statements

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:

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.

Leases

The Extra Mile determines if an arrangement is a lease at the inception of the contract. The Extra Mile's right-of-use assets represent their right to use the underlying assets for the lease term and the lease liabilities represent their obligation to make lease payments arising from the leases. Right-of-use assets and lease liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. If the lease's implicit interest rate is not readily determinable, the Extra Mile will use a risk-free rate in lieu of determining the incremental borrowing rate. The Extra Mile's financing lease is for their copy machine. The Extra Mile's operating leases are for the dumpsters and the facility located in Pineville, Louisiana. Operating leases with a term of twelve (12) months or less are not recorded in the statement of financial position. Leases with a term of one (1) month or less do not meet the definition of a short-term lease.

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.

The Extra Mile Region VI, Inc.
June 30, 2024

Notes to Financial Statements

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

The Extra Mile Region VI, Inc. reports contributions from grants and other 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.

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. The Extra Mile Region VI, Inc. records the following exchange transaction revenue in its statement of activities:

Drop-In Centers - The Extra Mile Region VI, Inc. charges a fee per attendee for services provided at their resource centers to aid in establishing socialization skills, personal development and other skills to mental health applicants. The fee per attendee is established by the contracting agency. Services provided through the Drop-In Centers Program are not separately priced and are, therefore, considered to be one performance obligation, which is satisfied when the mental health applicant attends the program. Payment for these services is due upon receipt of the invoice. This method is consistent with the as-invoiced practical expedient.

Kids Don't Gamble Wanna Bet - The Extra Mile Region VI, Inc. charges a fee per service per attendee in order to provide evidence-based programs which address identified casual factors that will prevent and or reduce substance use, abuse, addiction, compulsive gambling, and other high risk behaviors. The fee per service is established by the contracting agency. Services provided through the Kids Don't Gamble Wanna Bet Program are not separately priced and are, therefore, considered to be one performance obligation, which is satisfied when participants attend the program. Payment for these services is due upon receipt of the invoice. This method is consistent with the as-invoiced practical expedient.

Spring Workshop – The Extra Mile Region VI, Inc. charges a fee to each participant to attend the Spring workshop. This workshop targets both mental health professionals and the individuals or families receiving mental health services within the region. Services provided through the Spring workshop are not separately priced and are, therefore, considered to be one performance obligation, which is satisfied when participants attend the workshop. Payment for these services is due upon receipt of the invoice. This method is consistent with the as-invoiced practical expedient.

The Extra Mile Region VI, Inc.
June 30, 2024

Notes to Financial Statements

Life Skills Training Program - The Extra Mile Region VI, Inc. charges a fee per attendee for services provided at participating schools to aid in identifying casual factors that will prevent and/or reduce substance use, abuse, addiction, compulsive gambling, other high risk behaviors, and the related consequences. The fee per attendee is established by the contracting agency. Services provided through the Life Skills Training Program are not separately priced and are, therefore, considered to be one performance obligation, which is satisfied when the students attend the program. Payment for these services is due upon receipt of the invoice. This method is consistent with the as-invoiced practical expedient.

Shredding Program - The Extra Mile Region VI, Inc. charges an hourly fee for the storage and shredding of the Central Louisiana Human Services District's confidential paper documents. The hourly fee charged is established by the contracting agency. Services provided through the Shredding Program are not separately priced and are, therefore, considered to be one performance obligation, which is satisfied when the storage and/or shredding services are performed. Payment for these services is due upon receipt of the invoice. This method is consistent with the as-invoiced practical expedient.

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 Extra Mile Region VI, Inc. 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 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. 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 Extra Mile Region VI, Inc. pays for most services requiring specific expertise.

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, 2021.

The Extra Mile Region VI, Inc.
June 30, 2024

Notes to Financial Statements

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, 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.

Subsequent Events

Management has evaluated subsequent events through November 11, 2024, the date which the financial statements were available for issue.

2. Cash

Non-interest bearing checking accounts	\$ 199,976
Interest bearing savings account	20,058
Interest bearing money market account	<u>2,394</u>
	\$ 222,428

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, 2024, The Extra Mile Region VI, Inc.'s demand deposit accounts were fully insured.

3. Grants and Programs Receivable

Louisiana Clinical Services	\$ 41,184
Central Louisiana Human Services District	<u>127,196</u>
	\$ 168,380

In the opinion of management, the grants and programs receivable balance of \$168,380 is considered fully collectible; therefore, no allowance for uncollectibles at June 30, 2024, has been included in the financial statements. As of June 30, 2023, grants and programs receivable totaled \$165,550.

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:

The Extra Mile Region VI, Inc.
June 30, 2024

Notes to Financial Statements

- 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:

Description	Cost	Total 06/30/2024	Fair Value Measurement at Reporting Date Using		
			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	\$ 130,555	\$ 163,260	\$ 163,260	\$ -	\$ -
Income Fund of America, Inc.	152,718	186,718	186,718	-	-
	<u>\$ 283,273</u>	<u>\$ 349,978</u>	<u>\$ 349,978</u>	<u>\$ -</u>	<u>\$ -</u>

5. Furniture, Equipment and Vehicles

	Cost	Accumulated Depreciation	Net
Vehicles	\$ 64,918	\$ 64,918	\$ -
Furniture and equipment	85,352	61,139	24,213
Construction in Progress	2,425	-	2,425
	<u>\$ 152,695</u>	<u>\$ 126,057</u>	<u>\$ 26,638</u>

The depreciation provision for the year ended June 30, 2024, amounted to \$17,427.

6. Leases

The Organization leases a facility located in Pineville, Louisiana, dumpsters, and a copier under various terms under long-term non-cancelable operating lease and financing lease arrangements. These leases expire at various dates through 2027. An operating lease provides for increases in future minimum annual rental payments. The weighted-average discount rate represents the risk-free discount rate using a period comparable with that of the individual lease term. Operating leases with a term of twelve (12) months or less are not recorded on the statement of financial position.

Total right-of-use assets and lease liabilities at June 30, 2024, are as follows:

Lease Assets – Classification in Statement of Financial Position	Amount
Operating lease right-of-use asset	\$ 147,816
Financing lease right-of-use asset	1,947
Total leased right-of-use assets	<u>\$ 149,763</u>

The Extra Mile Region VI, Inc.
June 30, 2024

Notes to Financial Statements

	<u>Amount</u>
Lease Liabilities – Classification in Statement of Financial Position	
Operating lease liabilities	\$ 105,080
Financing lease liabilities	488
Total lease liabilities	<u>\$ 105,568</u>

Total lease costs for the year ended June 30, 2024, are as follows:

Operating lease costs	\$ 46,092
Financing lease costs:	
Interest expense	11
Amortization of right-of-use assets	1,461
	<u>\$ 47,564</u>

Weighted-average discount rate:

Operating leases	3.75%
Financing leases	2.03%

Weighted-average remaining lease term

Operating leases	2.46 years
Financing leases	0.33 years

Future minimum lease payments required under the financing leases in effect at June 30, 2024, that have an initial or remaining non-cancelable lease term in excess of one year are as follows:

<u>Years Ending June 30,</u>	<u>Financing Amounts</u>	<u>Operating Amounts</u>
2025	489	46,092
2026	-	46,092
2027	-	16,323
Total lease payment	489	108,507
Less: imputed interest	(1)	(3,427)
Present value of liability	<u>\$ 488</u>	<u>\$ 105,080</u>

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. 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

The Extra Mile Region VI, Inc.
June 30, 2024

Notes to Financial Statements

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.

9. Compensation to Board of Directors

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

10. 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, 2024, totaled \$865.

11. 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, 2024.

12. Liquidity and Availability of Financial Assets

The following reflects The Extra Mile Region VI, Inc.'s financial assets as of June 30, 2024, 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>2024</u>
Financial assets:	
Cash and cash equivalents	\$ 222,428
Grants and programs receivable	168,380
Investments	<u>349,978</u>
Financial assets at year-end	<u>740,786</u>

The Extra Mile Region VI, Inc.
June 30, 2024

Notes to Financial Statements

	<u>2024</u>
Less those unavailable for general expenditures within one year:	
Deposits held on behalf of others	<u>(15,428)</u>
Total amount unavailable for general expenditure within one year	<u>(15,428)</u>
 Total financial assets available to meet cash needs for general expenditures within one year	 \$ 725,358

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
June 30, 2024

Schedule 1

Agency Head: Daren Dauzat, Executive Director

Salary	\$ 49,840
Benefits - Social Security and Medicare	3,813
Benefits - SUTA paid	138
Travel	77
Workers' Compensation	638
	<u>\$ 54,506</u>

See independent auditor's report.

The Extra Mile Region VI, Inc.
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Schedule 2

Federal Grantor/ Pass-through Grantor/ Program Name	Assistance Listing/CFDA Number	Pass-through Grant Number	Total Amount Expended
United States Department of Health and Human Services -			
Substance Abuse and Mental Health Service Administration			
Passed through the State of Louisiana			
Central Louisiana Human Service District			
Substance Abuse and Mental Health Services Projects of Regional	93.243	LDH-MH-0000001	\$ 87,673
Opioid Response Grants	93.788	LDH-MH-0000001	249,454
Block Grants for Community Mental Health Services	93.958	LDH-MH-0000001	74,158
COVID-19 - Block Grants for Community Mental Health Services	93.958	LDH-MH-0000001	91,011
Total For Assistance Listing 93.958			165,169
Block Grants for Prevention and Treatment of Substance Abuse	93.959	LDH-MH-0000001	238,737
COVID-19 -Block Grants for Prevention and Treatment of Substance Abuse	93.959	LDH-MH-0000001	102,600
Total For Assistance Listing 93.959			341,337
Total United States Department of Health and Human Services			823,633
Total Expenditures of Federal Awards			\$ 823,633

Notes:

(1) The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of The Extra Mile Region VI, Inc. under programs of the federal government for the year ended June 30, 2024. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of The Extra Mile Region VI, Inc. it is not intended to and does not present the financial position, changes in net position, or cash flows of The Extra Mile Region VI, Inc.

(2) Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

(3) No federal funds were awarded to subrecipients during the year ended June 30, 2024.

(4) The Extra Mile Region VI, Inc. did not elect to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

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

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**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 of
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, 2024, 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 11, 2024.

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 Extra Mile Region VI, Inc.'s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies 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 deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a significant deficiency.





PAYNE, MOORE & HERRINGTON, LLP

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

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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

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

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 Extra Mile Region VI, Inc.'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 Extra Mile Region VI, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Payne, Moore & Herrington, LLP

Certified Public Accountants
Alexandria, Louisiana

November 11, 2024

**Independent Auditor's Report on Compliance for Each Major Program and on
Internal Control Over Compliance Required by the Uniform Guidance**



PAYNE, MOORE & HERRINGTON, LLP

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**Independent Auditor's Report on Compliance for Each Major Program and on
Internal Control Over Compliance Required by the Uniform Guidance**

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited The Extra Mile Region VI, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of The Extra Mile Region VI, Inc.'s major federal programs for the year ended June 30, 2024. The Extra Mile Region VI, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, The Extra Mile Region VI, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance 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 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of The Extra Mile Region VI, Inc.'s compliance with the compliance requirements referred to above.





PAYNE, MOORE & HERRINGTON, LLP

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to The Extra Mile Region VI, Inc.'s federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on The Extra Mile Region VI, Inc.'s compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about The Extra Mile Region VI, Inc.'s compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Extra Mile Region VI, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of The Extra Mile Region VI, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of The Extra Mile Region VI, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.



PAYNE, MOORE & HERRINGTON, LLP

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Payne, Moore & Herrington, LLP

Certified Public Accountants
Alexandria, Louisiana

November 11, 2024

The Extra Mile Region VI, Inc.
Schedule of Findings and Questioned Costs
Year Ended June 30, 2024

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? X Yes _____ None reported

Noncompliance material to financial statements noted? _____ Yes X No

Management's Corrective Action Plan See attached

Management's Summary Schedule of Prior Audit Findings Not applicable

Memorandum of Other Comments and Recommendations None issued

Federal Awards

Internal control over major programs:

Material weakness(es) identified? _____ Yes X No

Significant deficiency identified not considered to be a material weakness? _____ Yes X None reported

Type of auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? _____ Yes X None reported

The Extra Mile Region VI, Inc.
Schedule of Findings and Questioned Costs
Year Ended June 30, 2024

Section I - Summary of Auditor's Results

Identification of major programs:

Assistance Listing Numbers

93.959

93.959

Name of Federal Program or Cluster

Block Grants for Prevention and Treatment of Substance Abuse

COVID 19 – Block Grants for Prevention and Treatment of Substance Abuse

Dollar threshold used to distinguish
between Type A and Type B programs:

\$750,000

Auditee qualified as low risk auditee?

_____ Yes X No

Section II - Financial Statement Findings

Finding 2024-001 – 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 accounting principles generally accepted in the United States of America.

Condition and Context: Employees' personnel files do not include an authorization of their current rate of pay.

Cause and Effect: Employees' personnel files were not updated with current rates of pay once approved. As a result, 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.

Management's Response: See Management's Corrective Action Plan.

Section III - Federal Award Findings and Questioned Costs

None.

**The Extra Mile Region VI, Inc.
Management's Corrective Action Plan
Year Ended June 30, 2024**



The Extra Mile Region VI, Inc. respectfully submits the following corrective action plan for the year ended June 30, 2024.

Independent Public Accounting Firm:

Payne, Moore & Herrington, LLP
P.O. Box 13200
Alexandria, LA 71315-3200

THE EXTRA MILE
Region VI, Inc.
2201 Melrose Street
P.O. Box 5178
Pineville, LA 71360

Auditee Contact Person

Daren Dauzat
Executive Director
The Extra Mile Region VI, Inc.
(318) 321-1798

318 321 1798
FAX: 318 321 1798

Audit Period: July 1, 2023 - June 30, 2024

The findings from the Schedule of Findings and Responses are discussed below and numbered consistently with the numbers assigned in the Schedule. See Section II, Schedule of Findings and Questioned Costs, for criteria, conditions and context, cause and effect, and auditor recommendations relating to the findings to the financial statements.

Finding 2024-001 – Authorized Pay Rates

Condition and Context: Employees' personnel files do not include an authorization of their current rate of pay.

Recommendation: The auditors 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.

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

As Comptroller
Overseer of the
Department of Health
and Human Services
Louisiana State Board of
Health

**Management's Summary Schedule of Prior Audit Findings
Year Ended June 30, 2023**

Finding 2023-001: Authorized Pay Rates

Summary: During the fiscal year ended June 30, 2023, employees' personnel files did not include an authorization of their current rate of pay.

Current Status: Unresolved. See Finding 2024-001.



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Volunteers for
Those Served By The
Department of Health
& Hospitals, Mental Health
Developmental Disabilities
Substance Abuse &
Public Health

The Extra Mile Region VI, Inc.

*Statewide Agreed-Upon Procedures
Report*

Alexandria, Louisiana

June 30, 2024



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Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Board of Directors of
The Extra Mile Region VI, Inc.
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2023 through June 30, 2024. The Extra Mile Region VI, Inc.'s management is responsible for those C/C areas identified in the SAUPs.

The Extra Mile Region VI, Inc. has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2023 through June 30, 2024. 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 results are as follows:

Written Policies and Procedures

1. **Procedure:** Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - b) ***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.
 - c) ***Disbursements***, including processing, reviewing, and approving.





PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors of
The Extra Mile Region VI, Inc.
and the Louisiana Legislative Auditor

- d) **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).
- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- h) **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- i) **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.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **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.
- l) **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.



PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors of
The Extra Mile Region VI, Inc.
and the Louisiana Legislative Auditor

Results: The ethics, debt service, and prevention of sexual harassment written policies and procedures requirements are not applicable to nonprofits. The Extra Mile Region VI, Inc.'s purchasing policies and procedures do not state how vendors are added to the vendor list. The payroll and personnel policies do not include the written process for approval of employee pay rates or maintenance of pay rate schedules. Policies and procedures for contracting do not describe the types of services requiring written contracts or whether legal review of contracts is required prior to approval.

Management's Response: A policy is being enforced with recent new hires regarding documented approval of pay rates being added to personnel files; also, we are in the process of updating personnel files to reflect existing employees' documented approval of pay rates. We will also revise policies and procedures regarding types of services and their contractual/legal requirements. In addition, we will revise policies and procedures to address how vendors will be added to the vendor list.

Board or Finance Committee

2. **Procedure:** 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
 - a) 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.
 - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on all proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - c) 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.



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- d) 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.

Results: Upon review of the board minutes, we noted that the board/finance committee did not receive any written updates of the progress of resolving the prior year audit finding.

Management's Response: Quarterly updates regarding audit findings will be given at board meetings.

Bank Reconciliations

- 3. **Procedure:** Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select four (4) additional accounts [or all accounts if less than five (5)]. Randomly select one (1) month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

- a) Bank reconciliations include evidence that they were prepared within two (2) months of the related statement closing date (e.g., initialed and dated or electronically logged);
- b) Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within one (1) month of the date the reconciliation was prepared (e.g., initialed and dated or electronically logged); and
- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than twelve (12) months from the statement closing date, if applicable.

Results: No exceptions were found as a result of this procedure.

Collections (excluding electronic funds transfers)

- 4. **Procedure:** Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select five (5) deposit sites [or all deposit sites if less than five (5)].

Results: No exceptions were found as a result of this procedure.



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5. **Procedure:** For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one (1) collection location for each deposit site [e.g., five (5) collection locations for five (5) deposit sites], obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- a) Employees responsible for cash collections do not share cash drawers/registers;
- b) Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
- c) Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and
- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.

Results: No exceptions were found as a result of this procedure.

6. **Procedure:** Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.

Results: No exceptions were found as a result of this procedure.

7. **Procedure:** Randomly select two (2) deposit dates for each of the five (5) bank accounts selected for Bank Reconciliations procedure #3 (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the ten (10) deposits and:

- a) Observe that receipts are sequentially pre-numbered.
- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.



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- c) Trace the deposit slip total to the actual deposit per the bank statement.
- d) Observe that the deposit was made within one (1) business day of receipt at the collection location [within one (1) week if the depository is more than ten (10) miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer].
- e) Trace the actual deposit per the bank statement to the general ledger.

Results: No exceptions were found as a result of this procedure.

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

8. **Procedure:** Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select five (5) locations [or all locations if less than five (5)].

Results: No exceptions were found as a result of this procedure.

9. **Procedure:** For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two (2) employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
- b) At least two (2) employees are involved in processing and approving payments to vendors;
- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and



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

Results: No exceptions were found as a result of this procedure.

- 10. **Procedure:** For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select five (5) disbursements for each location, obtain supporting documentation for each transaction, and:

- a) Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice, and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #9 above, as applicable.

Results: No exceptions were found as a result of this procedure.

- 11. **Procedure:** Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3, randomly select five (5) non-payroll-related electronic disbursements [or all electronic disbursements if less than five (5)] and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy.

Note: If no electronic payments were made from the main operating account during the month selected, the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

Results: No exceptions were found as a result of this procedure.



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Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)

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

Results: No exceptions were found as a result of this procedure.

13. **Procedure:** Using the listing prepared by management, randomly select five (5) cards [or all cards if less than five (5)] that were used during the fiscal period. Randomly select one (1) monthly statement or combined statement for each card [for a debit card, randomly select one (1) monthly bank statement]. Obtain supporting documentation, and:

- a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
- b) Observe that finance charges and late fees were not assessed on the selected statements.

Results: No exceptions were found as a result of this procedure.

14. **Procedure:** Using the monthly statements or combined statements selected under #13 above, excluding fuel cards, randomly select ten (10) transactions [or all transactions if less than ten (10)] from each statement, and obtain supporting documentation for the transactions [e.g., each card should have ten (10) transactions subject to inspection]. For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Results: No exceptions were found as a result of this procedure.



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

- 15. Procedure:** 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 five (5) reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the five (5) reimbursements selected:
- a) 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);
 - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
 - c) 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 #1g); and
 - d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: One of the five reimbursements tested was missing an original itemized receipt that identified precisely what was purchased.

Management's Response: Extra care is being taken to ensure that all receipts are accounted for and are itemized to clearly show what items/products have been purchased. As soon as a receipt is received, a copy of that receipt will be made (with original receipt attached) and filed into a folder located in a common area that will be examined routinely and then filed into their corresponding locations.

Contracts

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



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- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;
- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
- c) If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and
- d) Randomly select one (1) payment from the fiscal period for each of the five (5) contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Results: No exceptions were found as a result of this procedure.

Payroll and Personnel

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

Results: No exceptions were found as a result of this procedure.

- 18. Procedure:** Randomly select one (1) pay period during the fiscal period. For the five (5) employees or officials selected under #17 above, obtain attendance records and leave documentation for the pay period, and:
- a) Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - b) Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and



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- d) Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

Results: We noted that four (4) of the five (5) employees tested did not have their current pay rates documented in their personnel file.

Management's Response: A form has been emailed or physically given to current employees requesting signed confirmation of their current hourly rate of pay along with the Executive Director's signature.

- 19. **Procedure:** 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 (2) 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.

Results: No exceptions were found as a result of this procedure.

- 20. **Procedure:** Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Results: No exceptions were found as a result of this procedure.

Ethics

- 21. **Procedure:** Using the five (5) randomly selected employees/officials from Payroll and Personnel procedure #17 obtain ethics documentation from management, and

- a) Observe whether the documentation demonstrates that each employee/official completed one (1) hour of ethics training during the calendar year as required by R.S. 42:1170; and
- b) Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Results: Ethics requirements are not applicable to nonprofits.



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

Results: Ethics requirements are not applicable to nonprofits.

Debt Service

- 23. Procedure:** Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

Results: Debt service requirements are not applicable to nonprofits.

- 24. Procedure:** Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one (1) bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Results: Debt service requirements are not applicable to nonprofits.

Fraud Notice

- 25. Procedure:** Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

Results: No exceptions were found as a result of this procedure.

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

Results: No exceptions were found as a result of this procedure.



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Information Technology Disaster Recovery/Business Continuity

27. Procedure: Perform the following procedures, verbally discuss the results with management, and report “We performed the procedure and discussed the results with management.”

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past three (3) months.
- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select five (5) computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

Results: We performed the procedures and discussed the results with management.

28. Randomly select five (5) terminated employees [or all terminated employees if less than five (5)] using the list of terminated employees obtained in Payroll and Personnel procedure #19. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Results: We performed the procedures and discussed the results with management.

29. Procedure: Using the five (5) randomly selected employees/officials from Payroll and Personnel procedure #17, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

- Hired before June 9, 2020 – completed the training; and
- Hired on or after June 9, 2020 – completed the training within 30 days of initial service or employment.

Results: We performed the procedures and discussed the results with management.



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Prevention of Sexual Harassment

- 30. Procedure:** Using the five (5) randomly selected employees/officials from Payroll and Personnel procedure #17, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one (1) hour of sexual harassment training during the calendar year as required by R.S. 42:343.

Results: Sexual harassment requirements are not applicable to nonprofits.

- 31. Procedure:** Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

Results: Sexual harassment requirements are not applicable to nonprofits.

- 32. Procedure:** Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:

- a) Number and percentage of public servants in the agency who have completed the training requirements;
- b) Number of sexual harassment complaints received by the agency;
- c) Number of complaints which resulted in a finding that sexual harassment occurred;
- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e) Amount of time it took to resolve each complaint.

Results: Sexual harassment requirements are not applicable to nonprofits.

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.



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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.

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