

The Extra Mile Region VI, Inc.

Pineville, Louisiana

June 30, 2019

The Extra Mile Region VI, Inc.

June 30, 2019

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PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1946

Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of The Extra Mile Region VI, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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PAYNE, MOORE & HERRINGTON, LLP

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Extra Mile Region VI, Inc. as of June 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 4, 2019, on our consideration of The Extra Mile Region VI, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of The Extra Mile Region VI, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Extra Mile Region VI, Inc.'s internal control over financial reporting and compliance.

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

Certified Public Accountants
Alexandria, Louisiana

October 4, 2019

**The Extra Mile Region VI, Inc.
Statement of Financial Position
June 30, 2019**

Exhibit A

Assets

Current Assets

Cash and cash equivalents	\$ 239,809
Grants receivable	111,905
Prepaid expenses	<u>6,729</u>
Total Current Assets	358,443

Investments 455,493

Furniture, Equipment and Vehicles - Net of Depreciation 58,358

Other Assets 21,250

Total Assets \$ 893,544

Liabilities and Net Assets

Current Liabilities

Accrued annual leave	\$ 9,974
Accrued salaries	7,855
Deposits held on behalf of others	<u>19,474</u>
Total Current Liabilities	37,303

Net Assets

Without donor restrictions 856,241

Total Liabilities and Net Assets \$ 893,544

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

The Extra Mile Region VI, Inc.
Statement of Activities
Year Ended June 30, 2019

Exhibit B

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains (Losses), and Other Support			
Government grants	\$ -	\$ 773,384	\$ 773,384
Noncash support	56,750	-	56,750
Administrative reimbursement	42,925	-	42,925
Donations	-	967	967
Interest and dividends	24,347	-	24,347
Miscellaneous	15,776	-	15,776
Gain (loss) on disposal of fixed assets	(965)	-	(965)
Realized and unrealized gains (losses) on investments	1,332	-	1,332
Net assets released from restrictions	774,551	(774,551)	-
Total Revenues, Gains (Losses), and Other Support	914,716	(200)	914,516
Expenses			
Program Services			
Adult Flex Program	106,684	-	106,684
Child Flex Program	11,473	-	11,473
Drop-In Centers Program	102,118	-	102,118
EDS Program	4,838	-	4,838
The Extra Mile Core Program	51,925	-	51,925
Clothes Closet/Food Pantry Program	4,906	-	4,906
Louisiana State Opioid Response	5,837	-	5,837
Consumer Employment Program	11,162	-	11,162
FIMR	36,180	-	36,180
Consumer Liaison	12,182	-	12,182
Employment Development Program	70,414	-	70,414
CLHSD Gambling Prevention	96,410	-	96,410
Louisiana Partnership for Success	65,368	-	65,368
Louisiana Partnership for Success II	36,728	-	36,728
Spring Workshop	7,585	-	7,585
CLHSD Library Stipend	1,146	-	1,146
Assertive Community Outreach Specialist	42,719	-	42,719
Opioid STR Grant	20,780	-	20,780
Total Program Services	688,455	-	688,455
Support Services			
Management and general	211,051	-	211,051
Total Expenses	899,506	-	899,506
Change in Net Assets	15,210	(200)	15,010
Net Assets, Beginning of Year	841,031	200	841,231
Net Assets, End of Year	\$ 856,241	\$ -	\$ 856,241

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, 2019**

**Exhibit C
(Continued)**

Program Services

	Adult Flex Program	Child Flex Program	Drop-In Centers Program	EDS Program	The Extra Mile Core Program	Clothes Closet/ Food Pantry Program	Louisiana State Opioid Response	Consumer Employment Program	FIMR	Consumer Liaison
Personal services	\$ 35,170	\$ 2,678	\$ 46,819	\$ 3,538	\$ 46,351	\$ 4,200	\$ 4,666	\$ 3,952	\$ -	\$ 5,078
Related benefits	4,124	349	4,762	472	5,574	503	378	535	-	611
Travel	-	-	97	-	-	-	176	-	767	553
Operating services	67,390	8,446	31,604	-	-	203	324	6,675	154	4,412
Supplies	-	-	18,836	828	-	-	293	-	193	1,528
Professional fees	-	-	-	-	-	-	-	-	35,066	-
Depreciation	-	-	-	-	-	-	-	-	-	-
Totals	\$ 106,684	\$ 11,473	\$ 102,118	\$ 4,838	\$ 51,925	\$ 4,906	\$ 5,837	\$ 11,162	\$ 36,180	\$ 12,182

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

The Extra Mile Region VI, Inc.
Statement of Functional Expenses
Year Ended June 30, 2019

Exhibit C
(Concluded)

	Program Services								Support Services		
	Employment Development Program	CLHSD Gambling Prevention	Louisiana Partnership for Success	Louisiana Partnership for Success II	Spring Workshop	CLHSD Library Stipend	Assertive Community Outreach Specialist	Opioid STR Grant	Total Program Services	Management and General	Total
Personal services	\$ 49,517	\$ 77,130	\$ 34,362	\$ 24,000	\$ -	\$ -	\$ 32,640	\$ 18,173	\$ 388,274	\$ 71,792	\$ 460,066
Related benefits	6,026	7,888	3,423	2,315	-	-	4,076	1,850	42,886	9,031	51,917
Travel	139	9,393	374	5,752	-	-	-	599	17,850	495	18,345
Operating services	9,468	329	1,035	2,307	7,585	1,146	6,003	158	147,239	98,012	245,251
Supplies	5,264	1,670	14,047	2,354	-	-	-	-	45,013	-	45,013
Professional fees	-	-	12,127	-	-	-	-	-	47,193	21,853	69,046
Depreciation	-	-	-	-	-	-	-	-	-	9,868	9,868
Totals	\$ 70,414	\$ 96,410	\$ 65,368	\$ 36,728	\$ 7,585	\$ 1,146	\$ 42,719	\$ 20,780	\$ 688,455	\$ 211,051	\$ 899,506

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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, 2019

Exhibit D

Cash Flows from Operating Activities

Change in net assets	\$ 15,010
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:	
Depreciation	9,868
Realized and unrealized (gains) losses on investments	(1,332)
Loss (gain) on disposal of fixed assets	965
Changes in operating assets and liabilities:	
Grants receivable	(14,923)
Other receivables	660
Prepaid expenses	(5,884)
Other assets	(2,050)
Accounts payable	(5,380)
Accrued annual leave	(1,957)
Accrued salaries	1,218
Deposits held on behalf of others	(4,728)
Net Cash Provided by (Used in) Operating Activities	(8,533)

Cash Flows from Investing Activities

Reinvested earnings on investments	(24,303)
Withdrawals of principal from investments	882
Purchase of furniture and equipment	(32,345)
Net Cash Provided by (Used in) Investing Activities	(55,766)

Cash Flows from Financing Activities

	-
Net Increase (Decrease) in Cash and Cash Equivalents	(64,299)
Cash and Cash Equivalents, Beginning of Year	304,108
Cash and Cash Equivalents, End of Year	\$ 239,809

Additional Required Disclosures:

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

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

The Extra Mile Region VI, Inc.
June 30, 2019

Notes to Financial Statements

1. Nature of Activities and Significant Accounting Policies

Nature of Activities

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

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

Significant Accounting Policies

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

Accounting Pronouncement Adopted

In August 2016, the Financial Accounting Standards Board (FASB) issued the Accounting Standards Update No. 2016-14 - *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities* (ASU 2016-14). This update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return between not-for-profit entities. A key change required by ASU 2016-14 is the net asset classes used in these financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets are now reported as net assets with donor restrictions. In addition to changes in terminology used to describe categories of net assets throughout the financial statements, new disclosures were added regarding liquidity and availability of resources, as well as the functional allocation of expenses. Accordingly, the accounting charge has been retrospectively applied to prior periods presented as if the policy had always been used. The Extra Mile Region VI, Inc. adopted the provisions of this ASU during the year ended June 30, 2019. Changes under this ASU did not have a material effect on the financial statements.

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 Board of the Organization 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.

The Extra Mile Region VI, Inc.
June 30, 2019

Notes to Financial Statements

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.

The changes resulting from the implementation of this new standard have the following effect on net assets at July 1, 2018:

	Amounts under the		"as adjusted"
	<u>FASB ASC 958</u>	<u>Reclassifications</u>	<u>Amounts under</u> <u>ASU No. 2016-14</u>
Net assets:			
Unrestricted	\$ 841,031	\$ (841,031)	\$ -
Temporarily restricted	200	(200)	-
Without donor restrictions	-	841,031	841,031
With donor restrictions	-	200	200
Total net assets	<u>\$ 841,231</u>	<u>\$ -</u>	<u>\$ 841,231</u>

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. GAAP also requires the Organization to present 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.

Prepaid Expenses

Prepaid expenses consist of general liability insurance payments that cover periods beyond June 30, 2019.

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. 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, 2019

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.

Accrued Annual Leave

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

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

Revenue Recognition

The Extra Mile Region VI, Inc. reports support received as increases in net assets without donor restrictions or not 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.

The Extra Mile Region VI, Inc.
June 30, 2019

Notes to Financial Statements

Donated Services

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

Use of Facilities

Central Louisiana State Hospital provides office facilities and utilities to operate The Extra Mile Region VI, Inc. administrative offices, the Common Ground Drop-In Center, and the Clothes Closet/Food Pantry. In exchange, The Extra Mile Region VI, Inc. operates the Central Louisiana State Hospital patient library, which is located in The Extra Mile Region VI, Inc.'s office building. The fair value of the use of facilities and utilities was \$56,750 and has been included in the statement of activities as noncash support.

Use of Estimates

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

Income Taxes

The most significant tax position of The Extra Mile Region VI, Inc. is its assertion that it is exempt from income taxes. All significant tax positions have been considered by management. It has been determined that it is more likely than not that all tax positions would be sustained upon examination by taxing authorities. With few exceptions, The Extra Mile Region VI, Inc. is no longer subject to U.S. federal tax examinations for the years ending prior to June 30, 2016.

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. Expenses are charged directly to program or support services based on specific identification.

Subsequent Events

Management has evaluated subsequent events through October 4, 2019, the date which the financial statements were available for issue. Management's evaluation revealed no subsequent events that require disclosure.

The Extra Mile Region VI, Inc.
June 30, 2019

Notes to Financial Statements

2. Cash and Cash Equivalents

Non-interest bearing checking accounts	\$ 216,545
Interest bearing money market account	<u>23,264</u>
	\$ 239,809

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, 2019, The Extra Mile Region VI, Inc.'s demand deposit accounts were fully insured.

3. Grants Receivable

Louisiana Clinical Services	\$ 41,365
Central Louisiana Human Services District	69,655
Employment Development Services	595
State of Louisiana Department of Health and Hospitals	<u>290</u>
	\$ 111,905

In the opinion of management, the grants receivable balance of \$111,905 is considered fully collectible; therefore, no allowance for uncollectibles at June 30, 2019, has been included in the financial statements.

4. Investments

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

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

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

The Extra Mile Region VI, Inc.
June 30, 2019

Notes to Financial Statements

Description	Cost	Fair Value Measurement at Reporting Date Using			
		Total 06/30/19	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	\$ 178,811	\$ 204,082	\$ 204,082	\$ -	\$ -
Income Fund of America, Inc.	190,809	232,195	232,195	-	-
Target Global DVD Leaders	19,766	19,216	19,216	-	-
	\$ 389,386	\$ 455,493	\$ 455,493	\$ -	\$ -

5. Furniture and Equipment

	Cost	Accumulated Depreciation	Net
Vehicles	\$ 64,917	\$ 29,601	\$ 35,316
Furniture and equipment	42,005	18,963	23,042
	\$ 106,922	\$ 48,564	\$ 58,358

The depreciation provision for the year ended June 30, 2019, amounted to \$9,868.

6. Other Assets

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

7. Deposits Held on Behalf of Others

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

8. Leases

Facilities

The Organization provides part of its program services in leased facilities located in Alexandria and Jonesville, Louisiana, which are leased from two unrelated third parties. The Alexandria facility was leased under a month-to-month operating lease, which required monthly lease payments of \$850. In June 2019, The Extra Mile Region VI, Inc. ended this lease and moved to a different Alexandria facility. A 36-month operating lease was executed at that time, which requires monthly lease payments of \$1,550. For the year ended June 30, 2019, The Extra Mile Region VI, Inc. made rental payments, consisting solely of minimum rentals, amounting to \$12,450 related to these leases.

The Extra Mile Region VI, Inc.
June 30, 2019

Notes to Financial Statements

The Extra Mile Region VI, Inc. entered into a 24-month operating lease for the Jonesville facility in January 2018, which consists of monthly rental payments of \$500. The Extra Mile Region VI, Inc. made rental payments, consisting solely of minimum rentals, amounting to \$6,000 for the year ended June 30, 2019.

Copier Machines

On October 23, 2015, The Extra Mile Region VI, Inc. entered into a 60-month operating lease for a copier machine, which requires monthly lease payments of \$169. Lease payments for the year under this agreement totaled \$2,117.

Future minimum lease payments as of June 30, 2019, under these leases are as follows:

<u>June 30,</u>	<u>Amount</u>
2020	\$ 23,628
2021	19,276
2022	17,050

9. Concentrations

Revenues and Significant Funding Source

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

Concentrations of Credit Risk

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

10. Compensation to Board of Directors

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

The Extra Mile Region VI, Inc.
June 30, 2019

Notes to Financial Statements

11. Retirement Plan

The Extra Mile Region VI, Inc. has a defined contribution plan covering eligible employees. The plan, funded through a group annuity contract issued by Mutual of America Life Insurance Company, qualifies as a SIMPLE IRA plan under Section 408(p) of the Internal Revenue Code. Participating employee contributions are matched by the employer up to three percent (3%) of the employee's annual salary. Retirement contribution expense for the year ended June 30, 2019, totaled \$5,424.

13. Net Assets Released From Restrictions

Net assets were released from restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by the grants. There were no net assets with donor restrictions at June 30, 2019.

14. Liquidity and Availability of Financial Assets

The following reflects The Extra Mile Region VI, Inc.'s financial assets as of June 30, 2019, 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>2019</u>
Financial assets:	
Cash and cash equivalents	\$ 239,809
Grants receivable	111,905
Investments	<u>455,493</u>
Financial assets at year-end	<u>807,207</u>
Less those unavailable for general expenditures within one year:	
Deposits held on behalf of others	<u>(19,474)</u>
Total amount unavailable for general expenditure within one year	(19,474)
Total financial assets available to meet cash needs for general expenditures within one year	<u>\$ 787,733</u>

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

Supplementary Information

The Extra Mile Region VI, Inc.
Schedule of Compensation, Benefits, and Other Payments
to the Agency Head or Chief Executive Officer
Year Ended June 30, 2019

Schedule 1

Agency Head Name: Martha A. Powell

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 34,615
Benefits-retirement	1,038
Sam's Club dues	<u>111</u>
Total	<u>\$ 35,764</u>

See independent auditor's report.

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

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



PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1946

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The Extra Mile Region VI, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, 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 October 4, 2019.

Internal Control Over Financial Reporting

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

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

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

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

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





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

Compliance and Other Matters

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

Purpose of this Report

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

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

Certified Public Accountants
Alexandria, Louisiana

October 4, 2019

**The Extra Mile Region VI, Inc.
 Schedule of Findings and Responses
 Year Ended June 30, 2019**

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	<u> X </u> No	
Significant deficiency(ies) identified not considered to be material weaknesses?	_____ Yes	<u> X </u> None reported	
Noncompliance material to financial statements noted?	_____ Yes	<u> X </u> No	

Management's Corrective Action Plan None

Management's Summary Schedule of Prior Audit Findings None

Memorandum of Other Comments and Recommendations None issued

Federal Awards Not applicable

Section II - Financial Statement Findings

None.

Section III - Federal Award Findings and Questioned Costs

Not applicable.

The Extra Mile Region VI, Inc.

*Statewide Agreed-Upon Procedures
Report*

Alexandria, Louisiana

June 30, 2019



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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, which were agreed to by The Extra Mile Region VI, Inc. (Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2018 through June 30, 2019. The Entity's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

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 that 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.
 - 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).

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

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- 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) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read 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) **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.

Results: The Entity does not have written policies and procedures for budgeting, purchasing, disbursements, receipts/collections, payroll/personnel, contracting, credit cards, or disaster recovery/business continuity. The Entity's written policies and procedures for travel and expense reimbursement do not include the dollar thresholds by category of expense. Procedures related to debt service and ethics are not applicable as the Entity has no debt, and nonprofit entities are not subject to ethics requirements.

Management's Response: The Entity is in the process of creating written policies and procedures regarding the aforementioned areas.



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

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 that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than ten percent (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.

Results: Not applicable – no prior year exceptions noted.

Bank Reconciliations

3. **Procedure:** Obtain a listing of client 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 account selected, 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, electronically logged);



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

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
- 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: Not applicable – no prior year exceptions noted.

Collections (excluding EFTs)

- 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 noted.

- 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 [i.e. five (5) collection locations for five (5) deposit sites], obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, 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 that are responsible for cash collections do not share cash drawers/registers.
- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee verifies the reconciliation.

Results: No exceptions noted.



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

6. **Procedure:** Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

Results: No exceptions noted.

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

Results: No exceptions noted.

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: Not applicable – no prior year exceptions noted.



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

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, 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/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.

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); should not be reported.]

Results: Not applicable – no prior year exceptions noted.

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 that the disbursement matched the related original invoice/billing statement.
- b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Results: Not applicable – no prior year exceptions noted.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

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

Results: No exceptions noted.



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To the Board of Directors of
The Extra Mile Region VI, Inc.
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12. 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 that 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) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]
- b) Observe that finance charges and late fees were not assessed on the selected statements.

Results: There was no evidence that the monthly statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder.

Management's Response: Credit card statements will be submitted to the secretary/treasurer on a monthly basis for review.

13. Procedure: Using the monthly statements or combined statements selected under #12 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 [i.e. each card should have ten (10) transactions subject to testing]. 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 note 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 noted.

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

14. 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 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:



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

- a) If reimbursed using a per diem, agree the reimbursement rate to 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 policy (procedure #1h).
- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: Not applicable – no prior year exceptions noted.

Contracts

- 15. 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. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select five (5) contracts [or all contracts if less than five (5)] from the listing, excluding the practitioner's contract, and:
- a) Observe that 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 that 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.
 - 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 noted.



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

Payroll and Personnel

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

Results: Not applicable – no prior year exceptions noted.

17. **Procedure:** Randomly select one (1) pay period during the fiscal period. For the five (5) employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
- b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

Results: Not applicable – no prior year exceptions noted.

18. **Procedure:** Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two (2) employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulate leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

Results: Not applicable – no prior year exceptions noted.

19. **Procedure:** Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Results: Not applicable – no prior year exceptions noted.



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

Ethics

20. **Procedure:** Using the five (5) randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above obtain ethics documentation from management, and:
- a) Observe that the documentation demonstrates each employee/official completed one (1) hour of ethics training during the fiscal period.
 - b) Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

Results: Ethics requirements are not applicable to nonprofit entities.

Debt Service

21. **Procedure:** Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.

Results: Not applicable as the Entity did not have debt for the year ended June 30, 2019.

22. **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: Not applicable as the Entity did not have debt for the year ended June 30, 2019.

Other

23. **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.

Results: Not applicable – no prior year exceptions noted.



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

24. Procedure: Observe that 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: Not applicable – no prior year exceptions noted.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on 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.

The purpose of this report is 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.

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

Payne, Moore & Herrington, LLP
Alexandria, Louisiana

October 4, 2019