

NAMI ST. TAMMANY AND SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2019

TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

NAMI ST. TAMMANY AND SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019

CONTENTS

Independent Auditor's Report	1
Consolidated Financial Statements	
Consolidated Statement of Financial Position	2
Consolidated Statement of Activities	3
Consolidated Statement of Functional Expenses	4
Consolidated Statement of Cash Flows	5
Notes to Financial Statements	6
Report on Internal Control over Financial Reporting and Compliance based on an audit of financial statements performed in accordance with Government Auditing Standards	12



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Management of
NAMI St. Tammany and Subsidiary
Mandeville, LA

We have audited the accompanying financial statements of NAMI St. Tammany and Subsidiary, which comprise the statement of financial position as of June 30, 2019, and the related statements of activities 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. 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.

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 NAMI St. Tammany and Subsidiary 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 functional expenses on page 4 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.

Jason F. Clausen, P.C.

St. Clair Shores, MI
November 29, 2019

NAMI ST. TAMMANY AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2019

Assets

Current assets	
Cash and cash equivalents	\$ 68,025
Cash - board-designated	53,265
Investments	107,464
Grants receivable, net	143,891
Prepaid expenses	<u>10,043</u>
 Total current assets	 382,688
 Property and equipment	
Office equipment	16,422
Equipment	4,703
Furniture and fixtures	24,424
Vehicles	102,324
Leasehold improvements	75,195
Less accumulated depreciation	<u>(94,722)</u>
 Net property and equipment	 <u>128,346</u>
 Total assets	 <u><u>511,034</u></u>

Liabilities

Current Liabilities	
Accounts payable	8,338
Current portion of long term debt	19,563
Accrued payroll	42,720
Payroll taxes payable	7,784
Other	<u>5,835</u>
 Total current liabilities	 84,240
 Notes payable, net of current portion	 <u>42,500</u>
 Total liabilities	 126,740

Net assets

Net assets without donor restrictions	359,294
Board designated reserve	<u>25,000</u>
 Total net assets	 <u>384,294</u>
 Total liabilities and net assets	 <u><u>\$ 511,034</u></u>

See auditor's report and notes to the financial statements

NAMI ST. TAMMANY AND SUBSIDIARY
CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total
<u>Revenue and other support</u>			
Government grants and contracts	\$ 1,011,308	\$ -	\$1,011,308
Other grants and contracts	160,396	-	160,396
Fundraising	182,290	-	182,290
Membership	694	-	694
Contributions	48,929	-	48,929
Transportation	121,618	-	121,618
Rentals	74,920	-	74,920
Investment income	4,942	-	4,942
Other income	76,062	-	76,062
In-kind donations	54,000	-	54,000
Net assets released from restrictions	-	-	-
Total revenue and other support	<u>1,735,159</u>	<u>-</u>	<u>1,735,159</u>
<u>Expense</u>			
Program services	1,404,408	-	1,404,408
Management and general	151,222	-	151,222
Fundraising	<u>131,973</u>	<u>-</u>	<u>131,973</u>
Total expense	<u>1,687,603</u>	<u>-</u>	<u>1,687,603</u>
Change in net assets	47,556	-	47,556
Net assets, beginning of period	<u>336,738</u>	<u>-</u>	<u>336,738</u>
Net assets, end of period	<u>\$ 384,294</u>	<u>\$ -</u>	<u>\$ 384,294</u>

See auditor's report and notes to the financial statements

NAMI ST. TAMMANY AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

<u>Description</u>	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 970,994	\$ 87,181	\$ 43,157	\$1,101,332
Employee benefits	5,652	507	251	6,410
Payroll taxes	81,070	7,279	3,603	91,952
Advertising	-	-	131	131
Accounting	-	18,000	-	18,000
Audit	-	7,000	-	7,000
Bank charges	2,099	247	124	2,470
Travel / trainings	2,894	341	170	3,405
Telephone	19,270	2,268	1,127	22,665
Postage and shipping	-	995	-	995
Occupancy	30,601	3,600	1,799	36,000
Repairs and maintenance	12,356	1,454	726	14,536
Office expense	29,820	3,509	1,751	35,080
Meetings	6,201	133	61	6,395
Insurance	39,597	4,660	2,330	46,587
Interest	2,883	339	170	3,392
Dues and subscriptions	-	3,031	-	3,031
Licenses	2,746	-	-	2,746
Mileage	8,980	-	-	8,980
Direct operating costs	140,382	-	-	140,382
Direct fundraising costs	-	-	74,879	74,879
Vehicle expense	16,869	-	-	16,869
Security expense	2,477	-	-	2,477
Income taxes	960	-	-	960
Other expenses	46	5	3	54
Bad debts	-	7,338	-	7,338
Depreciation	28,511	3,335	1,691	33,537
Total expenses on the statement of activities	<u>\$1,404,408</u>	<u>\$ 151,222</u>	<u>\$ 131,973</u>	<u>\$1,687,603</u>

See auditor's report and notes to the financial statements

NAMI ST. TAMMANY AND SUBSIDIARY
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Cash flows from operating activities

Change in net assets	\$ 47,556
Adjustments to reconcile change in net assets to net cash provided by operating activities	

Add: Depreciation	33,537
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Changes in operating assets and liabilities

Increase in grants receivable	(73,011)
Increase in prepaid expenses	(7,656)
Increase in accounts payable	3,225
Decrease in accrued payroll	(127)
Decrease in payroll taxes payable	(19)
Increase in other liabilities	5,805

Net cash provided by operating activities	<u>9,310</u>
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Cash flows from investing activities

Cash paid for fixed assets	(75,324)
Net investment gains reinvested	<u>(4,942)</u>

Net cash used for investing activities	<u>(80,266)</u>
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Cash flows from financing activities

Proceeds from note payable	58,324
Repayments on notes payable	<u>(16,356)</u>

Net cash used for financing activities	<u>41,968</u>
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Net decrease in cash and cash equivalents	(28,988)
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Cash and cash equivalents, beginning of period	<u>150,278</u>
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Cash and cash equivalents, end of period	<u><u>\$ 121,290</u></u>
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Cash paid for interest for the fiscal year ended June 30, 2019 was \$3,392.

NAMI ST. TAMMANY AND SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

NOTE 1 – NATURE OF ACTIVITIES

NAMI St. Tammany and Subsidiary, (the Organization) is a non-profit corporation located in Mandeville, Louisiana, and is affiliated with National Alliance on Mental Illness. The Organization's mission is to increase awareness and advocate for families and persons with mental health illnesses in St. Tammany Parish. The Organization's source of revenue is principally derived from grant revenue and fundraising events. The Organization operates the following major programs:

Peer and Family Education

Providing education, awareness, and understanding of mental illnesses and establishing wellness through Peer-to-Peer, NAMI Basics, and Family-to-Family Education programs.

Peer and Family Support Groups

Providing a forum for recovery support for adults living with mental health challenges through ongoing support groups NAMI Connection and Family-to-Family Support.

Community Programs

Providing forums for effectively communication of mental health related concerns, advocacy for individuals struggling with mental illness, and a comprehensive web-based directory that provides resources for individuals living with mental illness. These programs are delivered through Parents and Teachers as Allies, NAMI Smarts for Advocacy, Community Education Events, and Mental Health Resource and Provider Directories.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles and accordingly, reflect all significant receivables, payables, and other liabilities.

Classification of Net Assets

The Organization prepares its financial statements in accordance with FASB ASC 958-205, "Financial Statements of Not-for-Profit Organizations". Under FASB ASC 958-205, the Organization is required to report 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. As permitted under the provisions of FASB 958-605, the Organization records donor-restricted contributions whose restrictions have been satisfied in the same reporting period as unrestricted support in such year.

Principles of Consolidation

The financial statements include the accounts of NAMI ST Transportation, Inc., a wholly owned subsidiary of the Organization. All intercompany balances have been eliminated.

Use of Estimates

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

See auditor's report and financial statements

NAMI ST. TAMMANY AND SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

For purposes of the statement of cash flows, highly liquid investments with maturities of three months or less when purchased are considered cash equivalents and recorded at cost, which approximates fair value. The Organization places its temporary cash investments with high credit quality financial institutions, and at times may maintain balances that exceed federally insured limits. As of June 30, 2019, the Organization did not have any bank deposits of in excess of federally insured limits.

Accounts Receivable, Net

The Organization carries its accounts and grants receivable at the lower of cost or market, less an allowance for doubtful accounts. On a periodic basis, the Organization evaluates its accounts receivable and establishes an allowance for doubtful accounts, when deemed necessary, based upon specific delinquent accounts. When receivables are deemed uncollectible, they are charged against the allowance account. At June 30, 2019, the allowance for doubtful accounts was \$7,339.

Current Financial Assets

The Organization has \$319,380 of financial assets available within 1 year of the balance sheet date to meet cash needs for general expenditure consisting of cash of \$68,025, investments totaling \$107,464, and grants and accounts receivable totaling \$143,891. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the balance sheet date. The Organization has a goal to maintain financial assets, which consist of cash and short-term investments, on hand to meet 60 days of normal operating expenses, which are, on average, approximately \$281,320. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

Donated Materials and Services

The Organization receives donations of material and services from various sources. The donated materials and services received are reflected in the accompanying financial statements at their fair market value.

Property and Equipment

Property and equipment are carried at cost or, if donated, at fair market value at the time of the donation. Property with an original cost of \$500 or greater and a useful life of 3 years or greater are capitalized. Depreciation is computed on a straight-line basis over the estimated useful life of the assets. Expenditures for maintenance and repairs are charged to expense as incurred. Useful lives for the different classes of assets is as follows:

Office equipment	3 – 5 years
Equipment, vehicles, furniture, and fixtures	5 – 7 years
Leasehold improvements	10 – 15 years

Advertising

Advertising costs are recorded as expenditures as they are incurred.

Income Taxes

The Organization is a private, not-for-profit organization operating in accordance with Section 501(c)(3) of the Internal Revenue Code.

See auditor's report and financial statements

NAMI ST. TAMMANY AND SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and benefits, office and occupancy, general and administrative, interest, and depreciation, all of which are allocated on the basis of management’s estimate of time and effort. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts.

NOTE 3 – BOARD-DESIGNATED CASH

As of June 30, 2019, the Board has designated cash for the following purposes:

BCM Drop-in	\$ 28,265
Cash reserve (see Note 11)	<u>25,000</u>
Total	<u>\$ 53,265</u>

NOTE 4 - FAIR VALUE MEASUREMENTS

Generally Accepted Accounting principles establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under Generally Accepted Accounting Principles are described as follows:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.
- Level 2 Inputs to the valuation methodology include
- quoted prices for similar assets or liabilities in active markets;
 - quoted prices for identical or similar assets or liabilities in inactive markets;
 - inputs other than quoted prices that are observable for the asset or liability;
 - inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of this asset or liability.

- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability’s fair value measurement level within the fair value hierarchy is based on the lower level of any input that is significant to the fair value measurement. Valuation

See auditor’s report and financial statements

NAMI ST. TAMMANY AND SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

NOTE 4 - FAIR VALUE MEASUREMENTS (CONTINUED)

techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value:

Money market funds: Valued at the fair value of the fund at the close of the stock market on the last business day of the year.

Mutual Funds: Valued at the accumulated unit value of the units held at the end of the year.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or future fair values. Furthermore, although management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Investments are stated at their fair values, and consist of money market and equity investments as follows:

<u>June 30, 2019</u>	<u>Fair Value</u>	<u>In Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Levels 3)</u>
Money Market	\$ 2,609	\$ 2,609	\$ -	\$ -
Mutual Funds	104,625	104,625	-	-
Common Stock	<u>230</u>	<u>230</u>	-	-
Total	<u>\$ 107,464</u>	<u>\$ 107,464</u>	<u>\$ -</u>	<u>\$ -</u>

Investment income for the year ended June 30, 2019, reported as a net of realized gains and losses, dividends and interest, brokerage fees of \$0, and unrealized market fluctuations was \$4,942.

NOTE 5 – NOTES PAYABLE

Note Payable – Vehicles

The Organization maintains a note payable dated January 20, 2017, with an original amount of \$27,000. The note calls for 60 monthly payments of \$520 and bears interest at a rate of 5.75%. The note matures January 20, 2022 and is secured by specific assets of the Organization.

Note Payable – Vehicle

The Organization maintains a note payable dated July 23, 2018, with an original amount of \$29,162. The note calls for 48 monthly payments of \$677 and bears interest at a rate of 5.30%. The note matures August 6, 2022 and is secured by specific assets of the Organization.

See auditor's report and financial statements

NAMI ST. TAMMANY AND SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

NOTE 5 – NOTES PAYABLE (CONTINUED)

Note Payable – Vehicle

The Organization maintains a note payable dated July 23, 2018, with an original amount of \$29,162. The note calls for 48 monthly payments of \$677 and bears interest at a rate of 5.30%. The note matures August 6, 2022 and is secured by specific assets of the Organization.

Principal payments due on this note for the next five years are as follows:

Year ended June 30,	Amount
2020	\$ 19,563
2021	20,658
2022	19,188
2023	2,654
Thereafter	<u>-</u>
<u>TOTAL</u>	<u>\$ 62,063</u>

NOTE 6 – COMPENSATED ABSENCES

The amount liability for compensated absences cannot be reasonably determined, therefore no accrual has been made.

NOTE 7 – NET ASSETS WITH DONOR RESTRICTIONS

At June 30, 2019, the Organization did not have any net assets with donor restrictions.

NOTE 8 – GOVERNMENT GRANTS AND CONTRACTS REVENUE AND RECEIVABLES

The revenues received for the fiscal year ending June 30, 2019 are as follows:

U.S. Department of Housing and Urban Development	\$ 60,491
St. Tammany Parish Government	139,812
State of Louisiana - Department of Health & Hospitals	363,385
Florida Parish Human Services Authority	397,832
Imperial Calcasieu Human Services Authority	15,000
MBH of Louisiana, LLC	13,788
City of Mandeville, Louisiana	10,000
City of Covington, Louisiana	6,000
City of Slidell, Louisiana	<u>5,000</u>
Total Grant Revenue	<u>\$ 1,011,308</u>

The total amounts receivable on these grants as of June 30, 2019, net of reserves of \$7,339, was \$143,891.

NOTE 9 - CONCENTRATIONS

Funding Sources

The Organization is substantially supported by government grants and contracts from federal, state, and local authorities. The total support provided by these sources is approximately 58% of total revenue.

See auditor's report and financial statements

NAMI ST. TAMMANY AND SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

NOTE 10 – IN-KIND DONATIONS

Donated contributions are reflected in the accompanying statements at their estimated values at date of receipt. The organization receives many hours of volunteer work. Much of this volunteer work does not meet the requirements for recognition in GAAP and are therefore not included in the financial statements. The value of donated materials and services included in the financial statement and the corresponding expenses for the year are as follows:

Donated use of office space and furniture	\$ 36,000
Donated professional services	<u>18,000</u>
Total In-Kind Donations	<u>\$ 54,000</u>

NOTE 11 – BOARD-DESIGNATED CASH RESERVE

At June 30, 2019, the Organization maintained a Board designated cash reserve in the amount of \$25,000. These funds are restricted for operating costs and may not be drawn upon without Board consent.

NOTE 12 – DATE OF MANAGEMENT REVIEW

These financial statements and all subsequent events have been reviewed by management through the date of this report, which is the date the financial statements were available to be issued.



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
NAMI St. Tammany
Mandeville, LA

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 NAMI St. Tammany (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 29, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered NAMI St. Tammany'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 NAMI St. Tammany's internal control. Accordingly, we do not express an opinion on the effectiveness of NAMI St. Tammany'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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether NAMI St. Tammany'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.

Jason F. Clausen, P.C.

St. Clair Shores, MI
November 29, 2019



**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

NAMI St. Tammany
Mandeville, LA

We have performed the procedures enumerated below, which were agreed to by NAMI St. Tammany, required by the Louisiana Legislative Audit as of and for the year ended June 30, 2019. NAMI St. Tammany's management is responsible for procedures enumerated below. The sufficiency of these procedures is solely the responsibility of NAMI St. Tammany. 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 findings are as follows:

Area: Grant Compliance (follow up)

Procedure 1

Obtained and inspected the entity's written policies and procedures over grant compliance, and observe that they address (1) the process for determining eligibility and applying for applicable grants, (2) the process for ensuring compliance with each of the various grants requirements, and (3) documentation, approval, and review requirements for grant expenditures.

Results of Procedure 1:

The entity's written policies and procedures properly address the process for determining eligibility and applying for applicable grants, the process for ensuring compliance with each of the various grants requirements, and the proper documentation, approval, and review requirements for grant expenditures. No exceptions noted.

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

Procedure 2

Obtained and inspected the entity's written policies and procedures over travel and expense reimbursements and observe that they address (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

Results of Procedure 2:

The entity's written policies and procedures over travel and expense reimbursements properly address allowable expenses, dollar thresholds by category of expense, documentation requirements, and required authorization. No exceptions noted.

Procedure 3

Obtained 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. We randomly selected 5 reimbursements that involve expenditures of public funds, obtained the related expense reimbursement forms documentation of each selected reimbursement, as well as the supporting documentation.

Results of Procedure 3:

The Organization does not reimburse using a per diem agreement.

The Organization reimburses actual costs, and the reimbursements were supported by original itemized receipts, that accurately identified what was purchased. No exceptions noted.

Each reimbursement is supported by documentation of the business/public purpose and other documentation required by written policy. No exceptions noted.

Each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement. No exceptions noted.

Area: Board Oversight

Procedure 4

Obtained and inspected the entity's written policies and procedures over budgeting and observe that they address preparing, adopting, monitoring, and amending the budget.

Results of Procedure 4:

The Organization's written policies and procedures over budgeting and observe that properly address preparing, adopting, monitoring, and amending the budget. No exceptions noted.

Procedure 5:

Obtained and inspected the board minutes for the fiscal year, as well as the board's bylaws in effect during the fiscal year.

Results of Procedure 5:

The board met with a quorum bi-monthly in accordance with the board's bylaws. No exceptions noted.

Procedure 6:

Observed 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.

Results of Procedure 6:

The minutes appropriately included financial activity relating to public funds collected during the period. No exceptions noted.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the three areas listed above. 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.

This report is intended solely for the information and use of NAMI St. Tammany and the Louisiana Legislator's Auditor and is not intended to be and should not be used by anyone other than those specified parties.

Jason F. Clausen, P.C.

St. Clair Shores, MI
November 29, 2019