

NAMI LOUISIANA, INC.
BATON ROUGE, LOUISIANA

FINANCIAL STATEMENTS
June 30, 2019 and 2018



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Independent Accountants' Review Report

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

We have reviewed the accompanying financial statements of NAMI Louisiana, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019 and 2018, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountants' Responsibility

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

Accountants' Conclusion

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

Other Matter Paragraph

Supplementary Information

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

TWRU

CPAs & Financial Advisors
Baton Rouge, Louisiana
December 3, 2019

NAMI Louisiana, Inc.
Baton Rouge, Louisiana

STATEMENTS OF FINANCIAL POSITION
(See Independent Accountants' Review Report and Notes to Financial Statements)
June 30, 2019 and 2018

ASSETS

	2019	2018
CURRENT ASSETS:		
Cash and Cash Equivalents	\$ 24,922	\$ 19,733
Accounts Receivable	85,225	77,230
Investments, at fair value	19,004	14,732
	<hr/>	<hr/>
TOTAL CURRENT ASSETS	129,151	111,695
PROPERTY AND EQUIPMENT:		
Furniture, Fixtures and Equipment	34,875	34,875
Less Accumulated Depreciation	(34,240)	(33,933)
	<hr/>	<hr/>
NET PROPERTY AND EQUIPMENT	635	942
OTHER ASSETS:		
Deposits	1,200	1,200
Charitable Remainder Trust Assets	202,855	198,132
	<hr/>	<hr/>
TOTAL OTHER ASSETS	204,055	199,332
	<hr/>	<hr/>
TOTAL ASSETS	<u>\$ 333,841</u>	<u>\$ 311,969</u>

LIABILITIES

CURRENT LIABILITIES		
Due to Employees	\$ -	\$ 916
Payroll Liabilities	5,611	4,876
	<hr/>	<hr/>
TOTAL LIABILITIES (ALL CURRENT)	5,611	5,792
NET ASSETS		
Without Donor Restrictions	125,375	108,045
With Donor Restrictions	202,855	198,132
	<hr/>	<hr/>
NET ASSETS	328,230	306,177
	<hr/>	<hr/>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 333,841</u>	<u>\$ 311,969</u>

NAMI Louisiana, Inc.
Baton Rouge, Louisiana
STATEMENTS OF ACTIVITIES
(See Independent Accountants' Review Report and Notes to Financial Statements)
For the Year Ended June 30, 2019 and 2018

	2019			2018		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUES						
Governmental grants	\$ 345,704	\$ -	\$ 345,704	\$ 217,505	\$ -	\$ 217,505
Private grants	-	-	-	500	-	500
Annual conference	17,710	-	17,710	25,566	-	25,566
Contributions - individual	506	-	506	2,916	-	2,916
Contributions - corporate	12,223	-	12,223	7,198	-	7,198
Membership dues	2,585	-	2,585	4,631	-	4,631
Dividends and interest income	368	-	368	368	-	368
Change in value of charitable remainder trusts	-	4,723	4,723	-	20,919	20,919
Unrealized gain (loss) on investments	4,207	-	4,207	1,650	-	1,650
Other income	44	-	44	-	-	-
	<u>383,347</u>	<u>4,723</u>	<u>388,070</u>	<u>260,334</u>	<u>20,919</u>	<u>281,253</u>
EXPENSES						
Program Expenses	335,390	-	335,390	217,896	-	217,896
Management and General	30,627	-	30,627	49,076	-	49,076
	<u>366,017</u>	<u>-</u>	<u>366,017</u>	<u>266,972</u>	<u>-</u>	<u>266,972</u>
Changes in net assets	17,330	4,723	22,053	(6,638)	20,919	14,281
NET ASSETS						
Beginning of year	108,045	198,132	306,177	114,683	177,213	291,896
End of year	<u>\$ 125,375</u>	<u>\$ 202,855</u>	<u>\$ 328,230</u>	<u>\$ 108,045</u>	<u>\$ 198,132</u>	<u>\$ 306,177</u>

NAMI Louisiana, Inc.
Baton Rouge, Louisiana
STATEMENT OF FUNCTIONAL EXPENSES
(See Independent Accountants' Review Report and Notes to Financial Statements)
For the Years Ended June 30, 2019 and 2018

	2019			2018		
	Program	Management and General	Total	Program	Management and General	Total
EXPENSES:						
Advertising	\$ 342	\$ 500	\$ 842	\$ 195	\$ 398	\$ 593
Annual conference	110	2,674	2,784	-	6,162	6,162
Bank Fees	-	35	35	-	-	-
Board meeting expenses	3,032	281	3,313	5,021	424	5,445
Computer Expense	1,109	414	1,523	-	-	-
Conference and travel	7,434	169	7,603	4,724	1,750	6,474
Copier expense	3,252	17	3,269	3,399	-	3,399
Depreciation Expense	-	307	307	-	339	339
Donations paid	-	50	50	-	400	400
Dues and Subscriptions	71	-	71	15	265	280
Flowers & Gifts	-	111	111	-	110	110
Grants awarded	25	200	225	-	3,000	3,000
Insurance	1,692	-	1,692	2,626	(360)	2,266
Licenses & Permits	-	15	15	-	-	-
Membership Dues	100	85	185	-	108	108
Parliamentarian	7,471	-	7,471	5,342	-	5,342
Payroll and benefits	198,369	14,484	212,853	156,598	25,279	181,877
Payroll taxes	15,272	2,095	17,367	12,029	2,327	14,356
Postage & Printing	998	-	998	746	157	903
Professional services	3,365	5,850	9,215	2,500	4,617	7,117
Rent Expense	14,400	-	14,400	14,400	-	14,400
Rental Assistance	61,753	-	61,753	-	-	-
Repairs & Maintenance	-	2,270	2,270	-	2,087	2,087
Supplies	3,053	20	3,073	1,270	604	1,874
Telephone and internet	3,684	273	3,957	2,967	256	3,223
Training Seminars	7,274	380	7,654	3,715	1,017	4,732
Utilities	2,584	37	2,621	2,349	6	2,355
Website Maintenance	-	360	360	-	130	130
TOTAL FUNCTIONAL EXPENSES	\$ 335,390	\$ 30,627	\$ 366,017	\$ 217,896	\$ 49,076	\$ 266,972



NAMI Louisiana, Inc.
Baton Rouge, Louisiana

STATEMENTS OF CASH FLOWS
(See Independent Accountants' Review Report and Notes to Financial Statements)
For the Years Ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Unrestricted Net Assets	\$ 22,053	\$ 14,281
Adjustments to Reconcile Change in Unrestricted Net Assets to Net Cash		
Provided by Operating Activities:		
Depreciation	307	339
Unrealized (gain) loss on investments	(4,272)	(1,715)
Decrease (Increase) in Assets:		
Accounts Receivable	(7,995)	1,219
Charitable Remainder Trust Assets	(4,723)	(20,919)
Increase (Decrease) in Liabilities:		
Due to Employees	(916)	916
Payroll Liabilities	<u>735</u>	<u>(1,383)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	5,189	(7,262)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	5,189	(7,262)
BEGINNING CASH AND CASH EQUIVALENTS	<u>19,733</u>	<u>26,995</u>
ENDING CASH AND CASH EQUIVALENTS	<u>\$ 24,922</u>	<u>\$ 19,733</u>



NAMI LOUISIANA, INC.
Baton Rouge, Louisiana
NOTES TO FINANCIAL STATEMENTS
June 30, 2019 and 2018

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Organization and Operations – NAMI Louisiana, Inc. (NAMI) is a nonprofit corporation whose purpose is to provide a focal point for statewide mental illness activities and issues and to provide a central point for dissemination of information on activities and issues affecting persons with mental illness. The programs include statewide support to family education and support facilitators: This is accomplished by providing educational courses.

Program and Supporting Services – NAMI receives most of its income from grants from the State of Louisiana. NAMI also receives membership dues and contributions from corporations and individuals.

Basis of Accounting – The financial statements of NAMI have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Financial Statement Presentation – NAMI reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions, which are described as follows:

Net Assets without Donor Restrictions are net assets that are not subject to donor-imposed restrictions and are available for use at NAMI's discretion. The only limits on the use of net assets without donor restrictions are the board limits resulting from NAMI, the operation in which it operates, the purposes specified in the corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered in the course of operations. As of June 30, 2019, and 2018, NAMI had net assets without donor restrictions of \$125,375 and \$108,045, respectively

Net Assets with Donor Restrictions are net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. When the donor's restrictions are satisfied, either by using the resources in the manner specified by the donor or the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. Other donor-imposed restrictions are perpetual in nature, such as those that the donor stipulates the resources be maintained in perpetuity. As of June 30, 2019, and 2018, NAMI had net assets with donor restrictions of \$202,855 and \$198,132, respectively, of which all are temporary in nature.

Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Revenue Recognition – Revenue from grants and contracts are recognized according to the specific agreement. Generally, revenues from grants are recognized in the period of the grant award while revenues from cost reimbursement contracts are recognized to the extent of services provided. Contributions are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction. There were no conditional promises for the years ending June 30, 2019, and 2018.

Revenue With and Without Donor Restrictions – Contributions received are recorded as increases in net assets without donor restrictions and net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

NAMI LOUISIANA, INC.
Baton Rouge, Louisiana
NOTES TO FINANCIAL STATEMENTS
June 30, 2019 and 2018

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents – For purposes of the statements of cash flows, NAMI considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Receivables – Management believes that receivables as reflected in the accompanying financial statements are collectible in full, therefore no allowance has been recorded.

Property and Equipment – Property and equipment are carried at cost. Expenditures for additions, renewals and betterments are capitalized; expenditures for maintenance and repairs are expensed as incurred. The cost of property and equipment sold or otherwise disposed and the accumulated depreciation thereon are eliminated from the property and related accumulated depreciation accounts, and any gain or loss is credited or charged to income. Depreciation is provided using the straight-line method over the estimated useful lives of the property, ranging from five to thirty-nine years.

Functional Allocation of Expenses – The costs of providing the various programs and activities have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on records and estimates made by NAMI's management.

Investments – Investments in marketable equity securities with readily determinable fair values are stated at fair value. Real estate investments and equity securities without readily determinable fair values are stated at cost. Dividend, interest and other investment income, including realized and unrealized gains and losses, are recorded as increases or decreases in either net assets without donor restrictions or net assets with donor restrictions, depending on donor stipulations.

Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends, or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

Income Taxes – NAMI has been recognized by the Internal Revenue Service as a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes. Accordingly, no provision for income taxes has been made; however, if NAMI should engage in activities unrelated to the purpose for which it was created, taxable income could result. NAMI has no unrelated business income for the years ended June 30, 2019 and 2018.

Advertising – NAMI follows the policy of charging the costs of advertising to expense as incurred. Advertising expense amounted to \$842 and \$593 for the years ended June 30, 2019 and 2018, respectively.

Charitable Remainder Trust Assets – NAMI is one-third remainder beneficiary of two charitable remainder trusts. Payments to NAMI will be made upon the death of the income recipients. Therefore, the trusts are recorded as temporarily restricted net assets. The trustee is a third party national financial institution. The fair value of the remainder interest in the trusts is determined using investment returns consistent with the composition of the asset portfolios, life expectancies, and the discount rates of 2.2% and 3.4% at June 30, 2019 and 2018, respectively.

Expense Allocation – Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of NAMI.

Reclassifications – Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform to the presentation in the current-year financial statements.



NAMI LOUISIANA, INC.
Baton Rouge, Louisiana
NOTES TO FINANCIAL STATEMENTS
June 30, 2019 and 2018

NOTE 2: FAIR VALUE MEASUREMENT

The framework for measuring fair value provides a fair value that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that NAMI has the ability to access at the measurement date.

Level 2 – Inputs are based upon quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of assets or liabilities.

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

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement in its entirety at the measurement date. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Common Stock – Valued at the closing price reported in the active market on which the individual securities are traded. Publicly traded common stock is considered level one investments in the fair value hierarchy.

Investment in a publicly traded common stock is as follows:

	<u>2019</u>		<u>2018</u>	
	Cost	Market	Cost	Market
Equity stock	\$ 92	\$ 19,004	\$ 92	\$ 14,732

The investment returns for the year ended June 30, 2019 and 2018 are as follows:

	<u>2019</u>	<u>2018</u>
Interest	\$ 7	\$ 14
Dividends	361	354
Unrealized gains	4,207	1,650
	<u>\$ 4,575</u>	<u>\$ 2,018</u>

NOTE 3: PROPERTY

Equipment, related service lives and accumulated depreciation as of June 30, 2019 and 2018 were as follows:

	<u>Estimated Service Lives</u>	<u>FY19</u>	<u>FY18</u>
Office Equipment	5 years	\$ 25,725	\$ 25,725
Website	3 years	9,150	9,150
Less accumulated depreciation		<u>(34,240)</u>	<u>(33,933)</u>
Net		<u>\$ 635</u>	<u>\$ 942</u>

Depreciation expense was \$307 and \$339 for the year ended June 30, 2019 and 2018.

NAMI LOUISIANA, INC.
Baton Rouge, Louisiana
NOTES TO FINANCIAL STATEMENTS
June 30, 2019 and 2018

NOTE 4: OPERATING LEASES

NAMI entered into a four year lease for office space beginning July 1, 2015 and ending June 30, 2019. The monthly lease payment is \$1,200. For the years ended June 30, 2019 and 2018, rent expense was \$14,400 and \$14,400, respectively. A new lease was entered into after year end for \$1,200 per month ending in November 2020. Future minimum lease payments are \$14,400 for 2020 and \$6,000 for 2021.

NAMI maintains a five year operating lease for a copy machine beginning in October 2015 and ending in October 2020. The monthly lease payment is \$199 plus additional usage charges. For the years ended June 30, 2019 and 2018, rent expense was \$3,269 and \$3,399, respectively. Future minimum payments are \$597 for 2020.

NOTE 5: INCOME TAXES

NAMI follows FASB Accounting Standards Codification, which provides guidance on accounting for uncertainty in income taxes recognized in an organization's financial statements. The guidance prescribes a recognition and measurement of a tax position taken or expected to be taken in a tax return and also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. As of June 30, 2019 and 2018, NAMI had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. No interest and penalties were recorded during the years ended June 30, 2019 and 2018. Generally, the tax years before 2015 are no longer subject to examination by federal, state, or local taxing authorities.

NOTE 6: ECONOMIC DEPENDENCY

NAMI derives its revenues from governmental sources as earned revenue or grants, the loss of which would have a material adverse effect on NAMI. Revenue derived from governmental sources accounted for 91% and 84% for the year ending June 30, 2019 and 2018, respectively.

NOTE 7: CONCENTRATION OF CREDIT RISK

NAMI has concentrated its credit risk for cash by maintaining deposits in a financial institution in Baton Rouge, Louisiana. However, as of June 30, 2019 and 2018, NAMI's deposits were covered by insurance provided by the U.S. Federal Deposit Insurance Corporation (FDIC).

NOTE 8: CONTINGENCIES

NAMI receives federal and state contracts for specific purposes that are subject to audit by the agencies. Such audits could lead to requests for reimbursement to the agency for expenditures disallowed under terms of the contract. It is the opinion of management that NAMI's compliance with the terms of contracts will result in negligible, if any, disallowed costs.

NOTE 9: RELATED PARTY TRANSACTIONS

NAMI will randomly pay the local chapters across Louisiana for various expenses. During the years ended June 30, 2019 and 2018, NAMI paid \$659 and \$900, respectively to other local chapters.

NAMI LOUISIANA, INC.
Baton Rouge, Louisiana
NOTES TO FINANCIAL STATEMENTS
June 30, 2019 and 2018

NOTE 10: CHANGE IN ACCOUNTING PRINCIPLE

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements for Not-for-Profit Entities. The ASU addresses the complexity and understandability of net assets classification, deficiencies in information about liquidity and availability of resources, the lack of consistency in the type of information provided about expenses and investment return. NAMI has implemented ASU 2016-14 and has presented the financial statements accordingly.

NOTE 11: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects NAMI's financial assets as of the statement of financial position date as of June 30, 2019 and 2018, respectively, reduced by any amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions or internal designations.

	<u>2019</u>	<u>2018</u>
Current Assets, excluding nonfinancial assets	\$129,151	\$111,695
Less those unavailable for general expenditures within a year:	<u>-</u>	<u>-</u>
Financial Assets available to meet cash needs for general expenditures within one year	<u>\$129,151</u>	<u>\$111,695</u>

NOTE 12: SUBSEQUENT EVENTS

In preparing these financial statements, NAMI has evaluated events and transactions for potential recognition or disclosure through December 3, 2019, the date the financial statements were available to be issued.

NAMI LOUISIANA, INC.
Baton Rouge, Louisiana

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

For the Years Ended June 30, 2019 and 2018

Agency Head: Anthony Germade, Executive Director (Beginning in September 2017 until End of Fiscal Year)

	<u>2019</u>	<u>2018</u>
Salary	\$62,532	\$57,206
Travel Reimbursements	1,457	1,116

Agency Head: Nicole McGee, Executive Director (July 2017 until August 2017)

	<u>2019</u>	<u>2018</u>
Salary	\$ -	\$13,803
Travel Reimbursements	-	159



Independent Accountants' Report
on Applying Agreed-Upon Procedures

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

We have performed the procedures enumerated below, which were agreed to by NAMI Louisiana, Inc. and the Louisiana Legislative Auditor (the specified parties), on the Agency's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended June 30, 2019, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The Agency's management is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Federal, State, and Local Awards

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

Finding: The Agency provided us with the following list of expenditures made for federal grant awards received during the fiscal year ended June 30, 2019:

Federal, State, or Local Grant Name	Grant Year	CFDA No. (if applicable)	Amount
Department of Health and Hospitals	6-30-19	93.958	\$229,621
Louisiana Department of Health	6-30-19	93.959	\$116,083
Total Expenditures			\$345,704

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

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

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

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

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

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

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

Activities allowed or unallowed

There were no exceptions noted.

Eligibility

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

Reporting

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

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

Open Meetings-Not Required

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

Budget

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

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

State Audit Law

10. Report whether the agency provided for a timely report in accordance with R.S. 24:513.

Finding: The agency's report was submitted to the Legislative Auditor before the statutory due date of December 31, 2019.

11. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Finding: The Agency's management represented that the Agency did not enter into any contracts during the fiscal year that were subject to the public bid law.

Prior Year Comments

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

Prior-Year Comments-None

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Agency's compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on the Agency's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

TWRU

CPAs and Financial Advisors

December 3, 2019

ATTACHMENTS:

SIGNED LOUISIANA ATTESTATION QUESTIONNAIRE

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

November 25th, 20198_____ (Date Transmitted)

TWRU _____ CPAs _____ & _____ Financial
Advisors _____ (CPA Firm Name)

527 East Airport _____ (CPA Firm
Address)

Baton Rouge, Louisiana 70806 _____
(City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of June 30, 20198 (date) and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Federal, State, and Local Awards

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

Yes [X]

No []

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

Yes [X] - No []

[]

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

Yes [X] - No []

[]

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

Yes [X] No []

[]

Open Meetings – N/A-NA

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

Yes [] No []

Budget

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

No

_____ Yes

Reporting

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes No

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes No

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

Yes No

Prior-Year Comments

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

_____ Yes No

[]

General

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

Yes No

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

Yes No

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

Yes No

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

Yes No

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

Yes No

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

Yes No

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



Secretary

12/14/19

Date

<u>Mary Ellen Pratt</u>	Treasurer	<u>12-4-2019</u>	Date
<u>Antonio D. Carriera</u>	President	<u>12-4-2019</u>	Date
<u>Anthony Germaine, Jr.</u>	Executive Director	<u>12-4-2019</u>	Date