

The Extra Mile, Region IV, Inc.
FINANCIAL STATEMENTS AND
AUDITORS' REPORT
June 30, 2021

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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of The Extra Mile, Region IV, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 auditors' 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 The Extra Mile, Region IV, Inc., as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. The schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer and the Justice System Funding Schedule – Receiving Entity are presented for purposes of additional analysis and are also not a required part of the basic financial statements.

The schedule of expenditures of federal awards, the schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer, and the Justice System Funding Schedule – Receiving Entity are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards, the schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer, and the Justice System Funding Schedule – Receiving Entity are 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 December 28, 2021, on our consideration of The Extra Mile, Region IV, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Extra Mile, Region IV, Inc.'s internal control over financial reporting and compliance.

Stulb & Associates

Lake Charles, Louisiana
December 28, 2021

The Extra Mile, Region IV, Inc.
STATEMENTS OF FINANCIAL POSITION
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 294,143	\$ 256,340
Certificates of deposit	40,017	40,027
Accounts receivable		
Grants and contracts	233,043	137,407
Other	-	132
Prepaid expenses	<u>4,804</u>	<u>4,470</u>
Total Current Assets	572,007	438,376
PROPERTY AND EQUIPMENT		
Furniture and equipment	138,022	128,230
Leasehold improvements	5,323	5,323
Accumulated depreciation	<u>(94,962)</u>	<u>(76,889)</u>
Net Property and Equipment	48,383	56,664
Security Deposits	<u>9,800</u>	<u>6,800</u>
TOTAL ASSETS	<u>\$ 630,190</u>	<u>\$ 501,840</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 21,053	\$ 16,506
Accrued liabilities	12,251	14,578
Deferred Payroll Protection Plan Grant Payable	<u>-</u>	<u>106,712</u>
Total Current Liabilities	33,304	137,796
NET ASSETS		
Without donor restrictions	175,801	237,788
With donor restrictions	<u>421,085</u>	<u>126,256</u>
Total Net Assets	<u>596,886</u>	<u>364,044</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 630,190</u>	<u>\$ 501,840</u>

See accompanying notes and accountants' report

The Extra Mile, Region IV, Inc.
STATEMENTS OF ACTIVITIES
For the Years ended June 30, 2021 and 2020

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and Gains						
Grants and contracts	\$ -	\$ 1,245,318	\$ 1,245,318	\$ -	\$ 1,203,590	\$ 1,203,590
Contributions	-	253,616	253,616	-	53,847	53,847
Contributed supplies	-	223,077	223,077	-	239,605	239,605
Payroll Protection Plan grant income	-	106,722	106,722	-	70,888	70,888
Other	51,521	-	51,521	38,957	-	38,957
Interest	848	-	848	418	-	418
Total Revenue and Gains	52,369	1,828,733	1,881,102	39,375	1,567,930	1,607,305
Net Assets Released from Restrictions	1,533,904	(1,533,904)	-	1,610,617	(1,610,617)	-
Total Revenue, Support, and Gains	1,586,273	294,829	1,881,102	1,649,992	(42,687)	1,607,305
Expenses						
Program service	1,605,166	-	1,605,166	1,573,541	-	1,573,541
Management and general	37,174	-	37,174	50,033	-	50,033
Fundraising	5,920	-	5,920	-	-	-
Total Expenses	1,648,260	-	1,648,260	1,623,574	-	1,623,574
Increase (Decrease) in Net Assets	(61,987)	294,829	232,842	26,418	(42,687)	(16,269)
Net Assets at Beginning of Year	237,788	126,256	364,044	211,370	168,943	380,313
Net Assets at End of Year	\$ 175,801	\$ 421,085	\$ 596,886	\$ 237,788	\$ 126,256	\$ 364,044

See accompanying notes and accountants' report

The Extra Mile, Region IV, Inc.
STATEMENTS OF FUNCTIONAL EXPENSES
For the Years Ended June 30, 2021 and 2020

6/30/2021

	Program Services			Administrative	Fundraising	Total
	Volunteer Program	Family Support	Adult Support			
Functional Expenses						
Salaries and stipends	\$ 41,397	\$ 765,589	\$ 23,986	\$ 22,175	\$ -	\$ 853,147
Payroll taxes and related benefits	46,269	137,561	1,493	1,624	-	186,947
Travel	584	34,421	-	-	-	35,005
Operating expenses	37,222	133,413	22,421	3,375	-	196,431
Supplies	3,295	15,778	369	-	-	19,442
Donated materials	9,535	213,542	-	-	-	223,077
Client assistance	-	3,394	606	-	-	4,000
Professional fees	17,865	77,574	780	10,000	5,920	112,139
Depreciation	13,848	4,224	-	-	-	18,072
Total expenses	\$ 170,015	\$ 1,385,496	\$ 49,655	\$ 37,174	\$ 5,920	\$ 1,648,260

6/30/2020

	Program Services			Administrative	Fundraising	Total
	Volunteer Program	Family Support	Adult Support			
Functional Expenses						
Salaries and stipends	\$ 42,535	\$ 716,747	\$ 23,730	\$ 29,689	\$ -	\$ 812,701
Payroll taxes and related benefits	29,457	138,060	1,787	3,047	-	172,351
Travel	472	91,539	-	-	-	92,011
Operating expenses	42,211	132,319	21,236	3,116	-	198,882
Supplies	3,391	8,701	718	-	-	12,810
Donated materials	10,475	225,245	3,885	-	-	239,605
Client assistance	-	2,753	704	-	-	3,457
Professional fees	14,455	44,919	-	9,000	-	68,374
Interest expense	-	-	-	5,181	-	5,181
Depreciation	13,931	4,271	-	-	-	18,202
Total expenses	\$ 156,927	\$ 1,364,554	\$ 52,060	\$ 50,033	\$ -	\$ 1,623,574

See accompanying notes and accountants' report

The Extra Mile, Region IV, Inc.
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash Flows from Operating Activities		
Change in Net Assets	\$ 232,842	\$ (16,269)
Adjustments to reconcile change in Net Assets		
Depreciation	18,072	18,202
Interest Earned on Certificates of Deposit	(220)	(27)
Payroll Protection Plan grant income	(106,722)	(70,888)
Decrease (Increase) in operating assets:		
Accounts receivable		
Grants and contracts	(95,636)	98,546
Other	132	46
Prepaid expenses	(334)	(1,350)
Security Deposits	(3,000)	-
Increase (Decrease) in operating liabilities:		
Accounts payable	4,547	(41,168)
Accrued Liabilities	(2,327)	(1,043)
Total Adjustments	<u>(185,488)</u>	<u>2,318</u>
Net Cash Provided (Used) by Operating Activities	47,354	(13,951)
 Cash Flows from Investing Activities		
Purchase of property and equipment	<u>(9,792)</u>	<u>(4,892)</u>
Net Cash Provided (Used) by Investing Activities	(9,792)	(4,892)
 Cash Flows from Financing Activities		
Payroll Protection Plan grant	-	177,600
Accrued interest paid on Certificates of Deposit	241	1,285
Proceeds from line of credit	-	51,500
Payments on line of credit	<u>-</u>	<u>(51,500)</u>
Net Cash Provided (Used) by Financing Activities	<u>241</u>	<u>178,885</u>
 Net Increase (Decrease) in Cash and Cash Equivalents	37,803	160,042
 Cash and Cash Equivalents - Beginning of Year	<u>256,340</u>	<u>96,298</u>
 Cash and Cash Equivalents - End of Year	<u>\$ 294,143</u>	<u>\$ 256,340</u>
 Supplemental Disclosures		
Cash paid for interest	<u>\$ -</u>	<u>\$ 5,181</u>
 Non-Cash Investing and Financing Activities		
Donated furniture and equipment	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes and accountants' report

The Extra Mile, Region IV, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 and 2020

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Nature of Activities

The Organization is a nonprofit, community-based program governed by a volunteer board of directors. The Organization administers several programs for the benefit of persons with mental health, retardation, and/or developmental disabilities, substance abuse problems and families involved with the child welfare system. Its activities cover the Parishes of St. Landry, St. Mary, St. Martin, Lafayette, Iberia, Vermillion, Acadia, Calcasieu, Jeff Davis, and Evangeline.

Basis of Accounting

The accompanying financial statements presented herein have been prepared on the accrual basis in accordance with generally accepted accounting principles.

Cash Equivalents

Cash equivalents consist of short-term, highly liquid investments, which are readily convertible into cash within ninety (90) days of purchase.

Support and Expenses

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

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

Financial Statement Presentation

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

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

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

The Extra Mile, Region IV, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 and 2020

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Support and revenue

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

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(C) (3) of the Internal Revenue Code and therefore has made no provision for federal income taxes in the accompanying financial statements. In addition, The Extra Mile has been determined by the Internal Revenue Service not to be a “private foundation” within the meaning of Section 509(a) of the Internal Revenue Code. There was no unrelated business income for the years ended June 30, 2021 and 2020.

Use of Estimates

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

Property and Equipment

The Organization capitalizes all expenditures in excess of \$500 for property and equipment at cost, or if donated, at the approximate fair value at the date of donation. Depreciation is provided for in an amount sufficient to relate the cost of depreciable assets to operations over their estimated service lives on the straight-line basis. Depreciation expense during the years ended June 30, 2021 and 2020 was \$18,072 and \$18,202, respectively.

NOTE B CERTIFICATES OF DEPOSIT

As of June 30, 2021, the Organization had a twelve month certificate of deposit that matures on May 18, 2022. The certificate of deposit serves as collateral for the business line of credit with Home Bank (Note K). The certificate yields 0.35%.

The Extra Mile, Region IV, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 and 2020

NOTE C GRANTS AND CONTRACTS RECEIVABLE

Grants and contracts receivable represents amounts due from various Federal, State, and Parish agencies and Medicaid Providers and are deemed to be fully collectible by management.

NOTE D LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. Additionally, as discussed in more detail in Note K, the Organization maintains a \$75,000 line of credit, which was available as of June 30, 2021. The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

Financial assets at year end:	
Cash and cash equivalents	\$294,143
Certificates of deposit maturing within one year	40,017
Grants and contracts receivable	<u>233,043</u>
Financial assets at year-end	567,203
Less amounts not available to be used within one year:	
Net assets with donor restrictions	(421,085)
Purpose restrictions to be met in less than a year	<u>421,085</u>
	<u> -</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$567,203</u>

NOTE E CHANGE IN CAPITAL ASSETS

A summary of capital assets for the year ended June 30, 2021 is as follows:

	<u>June 30, 2020</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2021</u>
Furniture and Equipment	\$128,230	\$9,792	\$ -	\$138,022
Leasehold Improvements	5,323	-	-	5,323
Accumulated Depreciation	<u>(76,889)</u>	<u>(18,073)</u>	<u>-</u>	<u>(94,962)</u>
	<u>\$56,664</u>	<u>\$(8,281)</u>	<u>\$ -</u>	<u>\$48,383</u>

Certain equipment has been acquired with the State of Louisiana grant funds. Under the terms of the agreements, the equipment reverts to the grantor if it is no longer used by the Organization.

The Extra Mile, Region IV, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 and 2020

NOTE F RESTRICTIONS ON NET ASSETS

Net assets were released from donor/grantor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors/grantors.

Net assets with donor restrictions were as follows as of June 30:

	<u>2021</u>	<u>2020</u>
Specific Purpose		
Program related expenditures	\$209,095	\$5,355
Passage of Time		
Grants and contracts receivable	<u>211,990</u>	<u>120,901</u>
Total	<u>\$421,085</u>	<u>\$126,256</u>

NOTE G DONATED MATERIALS AND SERVICES

Volunteers have made contributions of their time to The Extra Mile. The value of this contributed time is not reflected in these statements since it is not susceptible to objective measurement or valuation. The total number of service hours not subject to valuation for the years ended June 30, 2021 and 2020 was 5,392 and 4,920, respectively.

The Extra Mile receives donations of food, clothing, and supplies. Management estimates the value of these donations for the years ended June 30, 2021 and 2020 to be \$223,077 and \$239,605, respectively. These donations are recorded as contributions with the corresponding charge to donated materials. The Boys and Girls Club, Laparisienne Building, LLC, and Tilmun Property, LLC provide the free use of office space to The Extra Mile. Management estimates the value of this space for the years ended June 30, 2021 and 2020 to be \$39,341 and \$39,341, respectively. This donation is recorded as donations with the corresponding charge to occupancy.

NOTE H FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and supporting services have been summarized on a program basis in the statement of activities. This requires the allocation of certain cost between programs and supporting services based on estimates made by management. The expenses that are allocated on the basis of estimates of time and effort include salaries and stipends, payroll taxes and related benefits, operating expenses, and professional fees.

NOTE I OPERATING LEASES

The Organization leased space for offices and program services under two separate operating leases. One of the lease agreements is for the period November 1, 2018 through November 30, 2023 at a monthly rental of \$5,800. The other lease agreement is for the period December 1, 2018 through November 30, 2021, at a monthly rental of \$1,000. Rent expense, including donated space (Note G), for the years ended June 30, 2021 and 2020 was \$120,941 and \$122,049.

The Extra Mile, Region IV, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 and 2020

NOTE I OPERATING LEASES (continued)

The following is a schedule of future minimum rental payments required under the above operating leases as of June 30, 2021:

Fiscal year ending June 30,	
2022	74,600
2023	69,600
2024	29,000
2025	-
2026	-
Total	<u>\$173,200</u>

NOTE J CONCENTRATION OF CREDIT RISK

Financial instruments that are exposed to credit risk include cash, cash equivalents, certificates of deposit, and grants receivable. The Organization maintains its cash accounts and certificates of deposit in commercial banks. Accounts at the commercial banks are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Cash balances not insured by FDIC coverage as of June 30, 2021 and 2020 were \$84,143 and \$27,828, respectively. Grants receivable are principally with the State of Louisiana and Medicaid Providers.

NOTE K LINE OF CREDIT

On May 21, 2020, the Organization established a \$75,000 revolving line of credit with Home Bank to help finance its short-term operating needs. This line of credit is collateralized by a certificate of deposit in the amount of \$40,000 (Note B). Interest is payable on outstanding balances at a variable interest rate currently at 5.25%. The balance as of June 30, 2021 was \$0. The total interest paid on this line of credit for the years ended June 30, 2021 and 2020 was \$0 and \$630, respectively.

NOTE L RISKS AND UNCERTAINTIES

The Organization receives a substantial amount of its support from governmental agencies. A significant reduction in this support, if it were to occur, would affect the Organization's programs and activities.

NOTE M RETIREMENT PLAN

On February 1, 2011, the Organization made available to eligible employees the opportunity to participate in a SIMPLE IRA plan. In October 2017, the plan was converted to a 403(b) thrift plan. The plan allows employees expected to make at least \$2,000 in annual compensation to be eligible. The Organization also contributes 3% of salaries to the plan for the benefit of the eligible employees. The total Organization's contributions for the years ended June 30, 2021 and 2020 was \$21,734 and \$19,298, respectively.

The Extra Mile, Region IV, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 and 2020

NOTE N COMPENSATED ABSENCES

Full time employees earn 8 hours per month of vacation and 8 hours per month of sick leave each year. A maximum of twenty-four days of vacation and sixty days of sick leave may be accumulated and carried forward to the next year. Upon termination, employees are paid for unused vacation only. Vacation and sick leave are expensed when paid. The total amount of unpaid accumulated vacation for the years ended June 30, 2021 and 2020 was \$43,733 and \$45,381, respectively. The total amount of unpaid accumulated sick leave for the years ended June 30, 2021 and 2020 was \$86,709 and \$80,420, respectively.

NOTE O DEFERRED PAYROLL PROTECTION PLAN GRANT PAYABLE

On April 15, 2020, the Organization received a loan in the amount of \$177,610 under the Payroll Protection Program as part of the relief efforts related to COVID-19 and administered by the U.S. Small Business Association. The loan accrues interest at a fixed rate of 1.0%, but payments are not required to begin for twelve months after the funding of the loan. The Organization is eligible for forgiveness of up to 100% of the loan, upon meeting certain requirements and spending the proceeds on qualifying expenditures. The loan becomes a government grant delivered in the form of a forgivable loan. The Organization spent \$70,888 on qualifying expenditures as of June 30, 2020 and recognized the corresponding grant income. The remaining \$106,722 was spent during the year ending June 30, 2021 and recognized in the corresponding grant income. The full loan was forgiven by the U.S. Small Business Association on November 10, 2020.

NOTE P COMMITMENTS

In October 2020, with the consent of the Board of Directors, management executed a contract for the purchase of a building located in Scott, Louisiana. The purchase transaction closed on July 13, 2021. The purchase price was \$500,000. The Organization paid \$103,405 in cash and financed \$400,000. The loan term is 10 years at 5% interest with monthly payments of \$2,656 and a final lump sum payment of \$252,207 due on July 13, 2031.

NOTE Q SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through December 28, 2021, the date which the financial statements were available to be issued.

The Extra Mile, Region IV, Inc.

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

For the Year ended June 30, 2021

AGENCY HEAD NAME: George Mills, Executive Director

<u>PURPOSE</u>	<u>AMOUNT</u>
Salary	\$81,842
Benefits	
Retirement	2,440
Health Insurance	<u>10,319</u>
TOTAL	<u>\$94,601</u>

The Extra Mile, Region IV, Inc.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2021

<u>Federal Grantor/ Pass - through Grantor/ Program</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Federal Expenditures</u>
Department of Justice, Passed through the Louisiana Commission on Law Enforcement Crime Victim Assistance	16.575	2018-VA-04-5057	\$ 26,512
Department of Health and Human Services, Passed through the Louisiana Department of Children and Family Services, Promoting Safe and Stable Families	93.556*	2000308556	155,782
Promoting Safe and Stable Families	93.556*	2000537454	508,967
COVID-19 Promoting Safe and Stable Families	93.556*	2000537454	<u>12,320</u>
Total Promoting Safe and Stable Families			<u>677,069</u>
Department of Health and Human Services, Passed through the Louisiana Department of Health and Hospitals, Office of Behavioral Health/**Acadiana Area Human Services District Block Grants for Community Mental Health Services	93.958	**2000509599	44,560
Block Grants for Community Mental Health Services	93.958	**2000509592	49,075
Block Grants for Community Mental Health Services	93.958	2000506583	<u>59,391</u>
Total Block Grants for Community Mental Health Services			<u>153,026</u>
Total Expenditures of Federal Awards			<u><u>\$ 856,607</u></u>

* Major Program

See accompanying notes to Schedule of Expenditures of Federal Awards

The Extra Mile, Region IV, Inc.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year ended June 30, 2021

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of The Extra Mile, Region IV, Inc. under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of The Extra Mile, Region IV, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of The Extra Mile, Region IV, Inc.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The Extra Mile, Region IV, Inc. has elected to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

The Extra Mile, Region IV, Inc.
Justice System Funding Schedule – Receiving Entity
For the Year ended June 30, 2021

Cash Basis Presentation	First Six Month Period Ended <u>12/31/2020</u>	Second Six Month Period Ended <u>6/30/2021</u>
<u>Receipts from:</u>		
Criminal Court Costs/Fees – 15 th Judicial District Court	<u>\$19,500</u>	<u>\$6,000</u>
TOTAL	<u>\$19,500</u>	<u>\$6,000</u>

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of The Extra Mile, Region IV, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon, dated December 28, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered The Extra Mile, Region IV, 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 IV, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

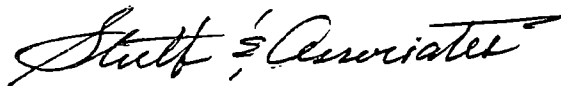
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not 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 The Extra Mile, Region IV, 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Lake Charles, Louisiana
December 28, 2021

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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

Report on Compliance for Each Major Federal Program

We have audited The Extra Mile, Region IV, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of The Extra Mile, Region IV, Inc.'s major federal programs for the year ended June 30, 2021. The Extra Mile's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of The Extra Mile, Region IV, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about The Extra Mile, Region IV, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of The Extra Mile, Region IV, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, The Extra Mile, Region IV, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of The Extra Mile, Region IV, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered The Extra Mile, Region IV, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of The Extra Mile, Region IV, Inc.'s internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in cursive script that reads "Stulb & Associates".

Lake Charles, Louisiana
December 28, 2021

The Extra Mile, Region IV, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditors’ Results

June 30, 2021

Financial Statements

Type of auditors’ report issued: Unmodified

Internal control over financial reporting:

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

Federal Awards

Internal control over major programs:

- Material weakness identified? Yes No
- Significant Deficiency(ies) identified that are not considered to be material weaknesses? Yes None reported

Type of auditors’ report issued on compliance for the major federal award programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance Yes No

Identification of major programs:

CFDA NUMBER

NAME OF FEDERAL PROGRAM

93.556 Department of Health and Human Services, Passed through the Louisiana Department of Children and Family Services, Promoting Safe and Stable Families

The threshold for distinguishing Types A and B programs was \$750,000.

Auditee qualified as low-risk auditee? Yes No

The Extra Mile, Region IV, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section II – Financial Statement Findings

Current Audit

There were no findings or questioned costs.

Prior Audit

There were no findings or questioned costs.

Section III – Federal Awards Findings and Questioned Costs

Current Audit

There were no findings or questioned costs.

Prior Audit

There were no findings or questioned costs.

Stulb & Associates, APAC

Certified Public Accountants

James F. Stulb, C.P.A.
Kristine S. Carter, C.P.A.

The Board of Directors
The Extra Mile, Region IV, Inc.
Lafayette, Louisiana

In planning and performing our audit of the financial statements of The Extra Mile, Region IV, Inc. for the year ended June 30, 2021; we considered its internal control over financial reporting (internal control) as a basis for designing auditing 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 Entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the Entity's internal control.

However, during our audit we became aware of deficiencies in internal control other than significant deficiencies and material weaknesses and other matters that are opportunities to strengthen your internal control and improve the efficiency of your operations. This letter does not affect our report dated December 28, 2021.

Service Contract Receivables

The Organization maintains an accounts receivable subsidiary ledger, however the Organization did not review the schedule on a regular basis. The Organization did not investigate accounts aged more than 90 days. In order to ensure accurate reporting and timely payment of service contract receivables, we recommend the Organization review the aged accounts receivable subsidiary ledger on a monthly basis and investigate all accounts aged more than 90 days. We also recommend the Organization implement a formal write-off policy that requires the Executive Director's approval and the reason an account is being written off.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various entity personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

This report is intended solely for the information and use of management and others within the Organization and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,



Lake Charles, Louisiana
December 28, 2021

Member AICPA • Member LCMA
www.stulbandassociates.com

THE EXTRA MILE, Region IV Inc.

720 Saint John Street
Lafayette, Louisiana 70501
337-237-2090 • 337-237-2083 - fax



December 29, 2021

MANAGEMENT RESPONSE – June 30, 2021 Audit

To ensure accurate reporting and timely payment of service contract receivables, The Extra Mile's management team will review the aged accounts receivable subsidiary ledger monthly and investigate all accounts aged more than 90 days. The management team will then determine if the receivable needs to stay or be written off after consulting with the billing personnel.

We will implement a formal write-off policy that requires the Executive Director's approval and the reason an account is being written off.

A handwritten signature in blue ink, appearing to read 'G Mills', is written over a horizontal line.

George Mills
Executive Director