

NAMI LOUISIANA, INC.  
BATON ROUGE, LOUISIANA

FINANCIAL STATEMENTS  
June 30, 2020 and 2019



TWRU

*CPAs & Financial Advisors*

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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, 2020 and 2019, 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 11, 2020

NAMI Louisiana, Inc.  
Baton Rouge, Louisiana

STATEMENTS OF FINANCIAL POSITION  
(See Independent Accountants' Review Report and Notes to Financial Statements)  
June 30, 2020 and 2019

ASSETS

	2020	2019
<b>CURRENT ASSETS:</b>		
Cash and Cash Equivalents	\$ 144,153	\$ 24,922
Accounts Receivable	55,985	85,225
Investments, at fair value	<u>20,602</u>	<u>19,004</u>
<b>TOTAL CURRENT ASSETS</b>	<b>220,740</b>	<b>129,151</b>
<b>PROPERTY AND EQUIPMENT:</b>		
Furniture, Fixtures and Equipment	34,875	34,875
Less Accumulated Depreciation	<u>(34,547)</u>	<u>(34,240)</u>
<b>NET PROPERTY AND EQUIPMENT</b>	<b>328</b>	<b>635</b>
<b>OTHER ASSETS:</b>		
Deposits	1,200	1,200
Charitable Remainder Trust Assets	<u>202,318</u>	<u>202,855</u>
<b>TOTAL OTHER ASSETS</b>	<b>203,518</b>	<b>204,055</b>
<b>TOTAL ASSETS</b>	<b>\$ 424,586</b>	<b>\$ 333,841</b>

LIABILITIES AND NET ASSETS

<b>CURRENT LIABILITIES</b>		
Payroll Liabilities	\$ 10,396	\$ 5,611
Economic Injury Disaster Loan - Current Portion	5,000	-
Payroll Protection Program Loan - Current Portion	<u>41,316</u>	<u>-</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b>56,712</b>	<b>5,611</b>
<b>LONG-TERM LIABILITIES</b>		
Payroll Protection Program Loan - Net of Current Portion	<u>5,000</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	<b>61,712</b>	<b>5,611</b>
<b>NET ASSETS</b>		
Without Donor Restrictions	160,556	125,375
With Donor Restrictions	<u>202,318</u>	<u>202,855</u>
<b>NET ASSETS</b>	<b>362,874</b>	<b>328,230</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 424,586</b>	<b>\$ 333,841</b>

NAMI Louisiana, Inc.  
 Baton Rouge, Louisiana  
 STATEMENTS OF ACTIVITIES  
 (See Independent Accountants' Review Report and Notes to Financial Statements)  
 For the Years Ended June 30, 2020 and 2019

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUES</b>						
Governmental grants	\$ 434,185	\$ -	\$ 434,185	\$ 345,704	\$ -	\$ 345,704
Annual conference	-	-	-	17,710	-	17,710
Contributions - individual	3,681	-	3,681	506	-	506
Contributions - corporate	28,286	-	28,286	12,223	-	12,223
Membership dues	3,658	-	3,658	2,585	-	2,585
Dividends and interest income	318	-	318	368	-	368
Change in value of charitable remainder trusts	-	(537)	(537)	-	4,723	4,723
Unrealized gain (loss) on investments	1,598	-	1,598	4,207	-	4,207
Other income	-	-	-	44	-	44
	<u>471,726</u>	<u>(537)</u>	<u>471,189</u>	<u>383,347</u>	<u>4,723</u>	<u>388,070</u>
<b>EXPENSES</b>						
Program Expenses	405,646	-	405,646	335,390	-	335,390
Management and General	30,899	-	30,899	30,627	-	30,627
	<u>436,545</u>	<u>-</u>	<u>436,545</u>	<u>366,017</u>	<u>-</u>	<u>366,017</u>
Changes in net assets	35,181	(537)	34,644	17,330	4,723	22,053
<b>NET ASSETS</b>						
Beginning of year	125,375	202,855	328,230	108,045	198,132	306,177
End of year	<u>\$ 160,556</u>	<u>\$ 202,318</u>	<u>\$ 362,874</u>	<u>\$ 125,375</u>	<u>\$ 202,855</u>	<u>\$ 328,230</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, 2020 and 2019

	2020			2019		
	Program	Management and General	Total	Program	Management and General	Total
EXPENSES:						
Advertising	\$ 358	\$ 525	\$ 883	\$ 342	\$ 500	\$ 842
Annual conference	1,317	-	1,317	110	2,674	2,784
Bank Fees	-	-	-	-	35	35
Board meeting expenses	5,171	617	5,788	3,032	281	3,313
Computer Expense	2,132	1,550	3,682	1,109	414	1,523
Conference and travel	2,920	225	3,145	7,434	169	7,603
Copier expense	3,570	-	3,570	3,252	17	3,269
Depreciation Expense	-	307	307	-	307	307
Donations paid	-	-	-	-	50	50
Dues and Subscriptions	110	-	110	71	-	71
Flowers & Gifts	-	67	67	-	111	111
Grants awarded	-	200	200	25	200	225
Insurance	3,681	-	3,681	1,692	-	1,692
Licenses & Permits	15	55	70	-	15	15
Membership Dues	-	-	-	100	85	185
Parliamentarian	5,186	-	5,186	7,471	-	7,471
Payroll and benefits	220,063	18,169	238,232	198,369	14,484	212,853
Payroll taxes	16,946	2,353	19,299	15,272	2,095	17,367
Postage & Printing	747	397	1,144	998	-	998
Professional services	2,500	3,700	6,200	3,365	5,850	9,215
Rent Expense	14,400	-	14,400	14,400	-	14,400
Rental Assistance	112,255	-	112,255	61,753	-	61,753
Repairs & Maintenance	-	-	-	-	2,270	2,270
Supplies	2,437	1,664	4,101	3,053	20	3,073
Telephone and Internet	4,385	57	4,442	3,684	273	3,957
Training Seminars	4,299	890	5,189	7,274	380	7,654
Utilities	2,824	33	2,857	2,584	37	2,621
Website Maintenance	330	90	420	-	360	360
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 405,646</b>	<b>\$ 30,899</b>	<b>\$ 436,545</b>	<b>\$ 335,390</b>	<b>\$ 30,627</b>	<b>\$ 366,017</b>



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, 2020 and 2019

	<u>2020</u>	<u>2019</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in Unrestricted Net Assets	\$ 34,644	\$ 22,053
Adjustments to Reconcile Change in Unrestricted Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	307	307
Unrealized (gain) loss on investments	(1,598)	(4,272)
Decrease (Increase) in Assets:		
Accounts Receivable	29,240	(7,995)
Charitable Remainder Trust Assets	537	(4,723)
Increase (Decrease) in Liabilities:		
Due to Employees	-	(916)
Payroll Liabilities	4,785	735
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>67,915</u>	<u>5,189</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Economic Injury Disaster Loan	5,000	-
Payroll Protection Program Loan	46,316	-
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	<u>51,316</u>	<u>-</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<u>119,231</u>	<u>5,189</u>
<b>BEGINNING CASH AND CASH EQUIVALENTS</b>	<u>24,922</u>	<u>19,733</u>
<b>ENDING CASH AND CASH EQUIVALENTS</b>	<u>\$ 144,153</u>	<u>\$ 24,922</u>

NAMI LOUISIANA, INC.  
Baton Rouge, Louisiana  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2020 and 2019

**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, 2020, and 2019, NAMI had net assets without donor restrictions of \$160,556 and \$125,375, 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, 2020, and 2019, NAMI had net assets with donor restrictions of \$202,318 and \$202,855, 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, 2020, and 2019.

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, 2020 and 2019

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 of 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, 2020 and 2019.

Advertising – NAMI follows the policy of charging the costs of advertising to expense as incurred. Advertising expense amounted to \$883 and \$842 for the years ended June 30, 2020 and 2019, 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 0.4% and 2.2% at June 30, 2020 and 2019, 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, 2020 and 2019

NOTE 2: ADOPTION OF NEW ACCOUNTING STANDARDS

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.

Effective January 1, 2019, NAMI adopted the requirements of the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. This ASU was issued to update its revenue recognition standard to clarify the principles of recognizing revenue and eliminate industry specific guidance as well as help financial statements users better understand the nature, amount, timing and uncertainty of revenue that is recognized. Primarily, the update requires NAMI to evaluate the various performance obligations related to its contracts. The adoption of this standard did not result in any changes in the way NAMI recognized revenue and therefore no changes to the previously issued financial statements were required. Based on the review of grant contracts and contribution documentation, management has determined this ASU does not have a significant impact of the financial statements.

Effective January 1, 2019, NAMI adopted the requirements of the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2018-08, *Not for Profit Entities (Topic 958), Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. This ASU was issued to assist in evaluating whether transactions should be accounted for as contributions (non-reciprocal transactions) within the scope of Topic 958, Not-for-Profit Entities, or as exchange (reciprocal) transactions subject to other guidance. This ASU was also made to assist in determining whether a contribution is conditional. The adoption of ASU 2018-08 did not have a material impact on NAMI's financial statements.

NOTE 3: 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.

NAMI LOUISIANA, INC.  
Baton Rouge, Louisiana  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2020 and 2019

NOTE 3: FAIR VALUE MEASUREMENT (CONTINUED)

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>2020</u>		<u>2019</u>	
	<u>Cost</u>	<u>Market</u>	<u>Cost</u>	<u>Market</u>
Equity stock	<u>\$ 92</u>	<u>\$ 20,602</u>	<u>\$ 92</u>	<u>\$ 19,004</u>

The investment returns for the year ended June 30, 2020 and 2019 are as follows:

	<u>2020</u>	<u>2019</u>
Interest	\$ 15	\$ 7
Dividends	277	361
Unrealized gains	<u>1,598</u>	<u>4,207</u>
	<u>\$ 1,890</u>	<u>\$ 4,575</u>

NOTE 4: PROPERTY

Equipment, related service lives and accumulated depreciation as of June 30, 2020 and 2019 were as follows:

	<u>Estimated Service Lives</u>	<u>FY20</u>	<u>FY19</u>
Office Equipment	5 years	\$ 25,725	\$ 25,725
Website	3 years	9,150	9,150
Less accumulated depreciation		<u>(34,547)</u>	<u>(33,240)</u>
Net		<u>\$ 328</u>	<u>\$ 635</u>

Depreciation expense was \$307 and \$307 for the year ended June 30, 2020 and 2019.

NOTE 5: OPERATING LEASES

NAMI entered into a one-year lease for office space beginning December 1, 2019 and ending November 30, 2020. The monthly lease payment is \$1,200. For the years ended June 30, 2020 and 2019, 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 2021. Future minimum lease payments are \$14,400 for 2021 and \$8,400 for 2022.

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, 2020 and 2019, rent expense was \$3,570 and \$3,269, respectively. Future minimum payments are \$940 for 2021.

NAMI LOUISIANA, INC.  
Baton Rouge, Louisiana  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2020 and 2019

NOTE 6: NOTES PAYABLE

In May of 2020, NAMI was granted a loan in an amount of \$5,000 from the Small Business Administration (SBA) under the Economic Injury Disaster Loan (EIDL) program. This loan accrues interest at a fixed rate of 2.75% for non-profit entities and has a 30-year maturity. This loan has no prepayment penalty. The proceeds from this loan are to be used to fund working capital and normal operating expenses. Payments are automatically deferred for one year from the origination of the loan. Interest is accrued during the deferment period.

NAMI was granted a loan (the "Loan") in the aggregate amount of \$46,316 pursuant to the Paycheck Protection Program (PPP) under Division A, Title I of the CARES Act, which was enacted March 27, 2020. The Loan, which was in the form of a note dated May 15, 2020, issued by the borrower, bears interest at a rate of 1% per annum for a term of 24 months. The note may be prepaid by the borrower at any time prior to maturity with no prepayment penalties. Funds from the loan may only be used for payroll costs, costs used to continue group health care benefits, mortgage payments, rent, utilities, and interest on other debt obligations incurred before 24 weeks after the initial funding date. NAMI intends to use the entire loan amount for qualifying expenses. Under the terms of the PPP, certain amounts of the loan may be forgiven if they are used for qualifying expenses as described in the CARES Act. The first payment is due in September 2022. Since NAMI accepted an Economic Injury loan, \$5,000 of the PPP loan will not be forgiven equal to the amount of the Economic Injury loan. The first payment for the PPP loan is due in 2022.

Both the EIDL and the PPP loans are expected to be forgiven within the next 12 months, except for the \$5,000 of the PPP loan described above. The amounts expected to be forgiven total \$46,316 and are carried as current portions of long-term debt. That is because if the loans are not forgiven, then the EIDL and PPP will become long-term liabilities with maturity periods of 30 years and 2 years, respectively.

Principal payments due during the upcoming years on notes payable are as follows:

<u>Year</u>	<u>Amount to be Paid</u>
2021	\$46,316
2022	2,034
2023	2,540
2024	426
	<u>51,316</u>

NOTE 7: 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, 2020 and 2019, 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, 2020 and 2019. Generally, the tax years before 2015 are no longer subject to examination by federal, state, or local taxing authorities.

NOTE 8: 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 92% and 91% for the year ending June 30, 2020 and 2019, respectively.

NAMI LOUISIANA, INC.  
Baton Rouge, Louisiana  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2020 and 2019

NOTE 9: 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, 2020 and 2019, NAMI's deposits were covered by insurance provided by the U.S. Federal Deposit Insurance Corporation (FDIC).

NOTE 10: 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 11: RELATED PARTY TRANSACTIONS

NAMI will randomly pay the local chapters across Louisiana for various expenses. During the years ended June 30, 2020 and 2019, NAMI paid \$200 and \$659, respectively to other local chapters.

NOTE 12: 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, 2020 and 2019, 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.

	2020	2019
Current Assets, excluding nonfinancial assets	\$212,267	\$129,151
Less those unavailable for general expenditures within a year:	-	-
Financial Assets available to meet cash needs for general expenditures within one year	<u>\$212,267</u>	<u>\$129,151</u>

NOTE 13: SUBSEQUENT EVENTS

In preparing these financial statements, NAMI has evaluated events and transactions for potential recognition or disclosure through December 11, 2020, the date the financial statements were available to be issued.

NAMI's operations may be affected by the ongoing outbreak of the coronavirus disease 2019 (COVID-19) which was declared a pandemic by the World Health Organization in March of 2020. The ultimate disruption which may be caused by the outbreak is uncertain; however, it may result in a material adverse impact on NAMI's Statement of Financial Position and Statement of Activities. Possible effects may include, but are not limited to, disruption to NAMI's revenue and workforce.

NAMI LOUISIANA, INC.  
Baton Rouge, Louisiana

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

For the Years Ended June 30, 2020 and 2019

Agency Head: Anthony Germade, Executive Director

	<u>2020</u>	<u>2019</u>
Salary	\$70,306	\$62,532
Travel Reimbursements	1,120	1,457



Independent Accountant's 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, 2020, 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.

The Agency provided us with the following list of expenditures made for federal grant awards received during the fiscal year ended June 30, 2020:

Federal, State, or Local Grant Name	Grant Year	CFDA No. (if applicable)	Amount
Department of Health and Hospitals	6-30-2020	93.958	\$123,670
Department of Health and Hospitals	6-30-2020	93.958	\$310,515
Total Expenditures			\$434,185

The Agency represented that they received no state or local government grant awards during the fiscal year ended June 30, 2020 .

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: All of 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.

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 [https://app.la.state.la.us/llala.nsf/BAADB2991272084786257AB8006EE827/\\$FILE/Open%20Meetings%20Law%20FAQ.pdf](https://app.la.state.la.us/llala.nsf/BAADB2991272084786257AB8006EE827/$FILE/Open%20Meetings%20Law%20FAQ.pdf), 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, 2020.

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.

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 & Financial Advisors  
Baton Rouge, LA  
December 11, 2020

ATTACHMENTS:

SIGNED LOUISIANA ATTESTATION QUESTIONNAIRE



TWRU  
CPAs & Financial Advisors

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

December 11, 2020 \_\_\_\_\_ (Date Transmitted)

TWRU \_\_\_\_\_ CPAs \_\_\_\_\_ & \_\_\_\_\_ Financial  
Advisors \_\_\_\_\_ (CPA Firm Name)  
527 East Airport \_\_\_\_\_ (CPA Firm  
Address)  
Baton Rouge, LA 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, 2020 \_\_\_\_\_ (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  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  No [ ]

]

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

Yes  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  No [ ]

]

**Open Meetings-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

Yes  No [ ]

]

**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.

<u>Nicole Bolden</u>	Executive		
<u>Director Secretary</u>		<u>12/14/20</u>	Date
<u>Mary Ellen Pratt</u>	Treasurer	<u>12-12-20</u>	Date
<u>Antoinette Currie</u>	President	<u>12/10/20</u>	Date



**TWRU**  
CPAs & Financial Advisors