

NAMI LOUISIANA, INC.
BATON ROUGE, LOUISIANA

FINANCIAL STATEMENTS
June 30, 2022 and 2021



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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 statements of financial position as of June 30, 2022 and 2021, 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.

We are required to be independent of NAMI Louisiana, Inc., and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

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 or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on it.

CPAs & Financial Advisors
Baton Rouge, Louisiana
November 22, 2022

NAMI Louisiana, Inc.
Baton Rouge, Louisiana

STATEMENTS OF FINANCIAL POSITION
(See Independent Accountants' Review Report and Notes to Financial Statements)
June 30, 2022 and 2021

ASSETS

| | 2022 | 2021 |
|-----------------------------------|------------|------------|
| CURRENT ASSETS: | | |
| Cash and Cash Equivalents | \$ 220,753 | \$ 166,415 |
| Accounts Receivable | 61,510 | 68,888 |
| Investments, at Fair Value | 20,911 | 24,255 |
| | <hr/> | <hr/> |
| TOTAL CURRENT ASSETS | 303,174 | 259,558 |
| PROPERTY AND EQUIPMENT: | | |
| Furniture, Fixtures and Equipment | 34,875 | 34,875 |
| Less Accumulated Depreciation | (34,828) | (34,735) |
| | <hr/> | <hr/> |
| NET PROPERTY AND EQUIPMENT | 47 | 140 |
| OTHER ASSETS: | | |
| Deposits | 1,200 | 1,200 |
| Charitable Remainder Trust Assets | 212,884 | 243,506 |
| | <hr/> | <hr/> |
| TOTAL OTHER ASSETS | 214,084 | 244,706 |
| | <hr/> | <hr/> |
| TOTAL ASSETS | \$ 517,305 | \$ 504,404 |

LIABILITIES AND NET ASSETS

| | | |
|----------------------------------|------------|------------|
| CURRENT LIABILITIES | | |
| Payroll Liabilities | \$ - | \$ - |
| | <hr/> | <hr/> |
| TOTAL CURRENT LIABILITIES | - | - |
| NET ASSETS | | |
| Without Donor Restrictions | 304,421 | 260,898 |
| With Donor Restrictions | 212,884 | 243,506 |
| | <hr/> | <hr/> |
| NET ASSETS | 517,305 | 504,404 |
| | <hr/> | <hr/> |
| TOTAL LIABILITIES AND NET ASSETS | \$ 517,305 | \$ 504,404 |

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, 2022 and 2021

| | 2022 | | | 2021 | | |
|---|-------------------------------|----------------------------|-------------------|-------------------------------|----------------------------|-------------------|
| | Without Donor Restrictions | With Donor Restrictions | Total | Without Donor Restrictions | With Donor Restrictions | Total |
| SUPPORT AND REVENUES | | | | | | |
| Governmental grants | \$ 379,776 | \$ - | \$ 379,776 | \$ 465,136 | \$ - | \$ 465,136 |
| Private grants | 117,500 | - | 117,500 | 72,000 | - | 72,000 |
| Annual conference | 18,382 | - | 18,382 | 8,500 | - | 8,500 |
| Contributions - individual | 2,069 | - | 2,069 | 3,423 | - | 3,423 |
| Contributions - corporate | 2,557 | - | 2,557 | 23,147 | - | 23,147 |
| Membership dues | 2,169 | - | 2,169 | 3,730 | - | 3,730 |
| Dividends and interest income | 395 | - | 395 | 403 | - | 403 |
| Change in value of charitable remainder trusts | - | (30,622) | (30,622) | - | 41,188 | 41,188 |
| Unrealized gain (loss) on investments | (3,344) | - | (3,344) | 3,653 | - | 3,653 |
| Fundraiser | 33,652 | - | 33,652 | 6,760 | - | 6,760 |
| | <u>553,156</u> | <u>(30,622)</u> | <u>522,534</u> | <u>586,752</u> | <u>41,188</u> | <u>627,940</u> |
| EXPENSES | | | | | | |
| Program expenses | 412,060 | - | 412,060 | 374,948 | - | 374,948 |
| Management and general | 97,573 | - | 97,573 | 111,462 | - | 111,462 |
| | <u>509,633</u> | <u>-</u> | <u>509,633</u> | <u>486,410</u> | <u>-</u> | <u>486,410</u> |
| Changes in net assets | 43,523 | (30,622) | 12,901 | 100,342 | 41,188 | 141,530 |
| NET ASSETS | | | | | | |
| Beginning of year | 260,898 | 243,506 | 504,404 | 160,556 | 202,318 | 362,874 |
| End of year | <u>\$ 304,421</u> | <u>\$ 212,884</u> | <u>\$ 517,305</u> | <u>\$ 260,898</u> | <u>\$ 243,506</u> | <u>\$ 504,404</u> |

NAMI Louisiana, Inc.
Baton Rouge, Louisiana
STATEMENTS OF FUNCTIONAL EXPENSES
(See Independent Accountants' Review Report and Notes to Financial Statements)
For the Years Ended June 30, 2022 and 2021

| | 2022 | | | 2021 | | |
|----------------------------------|-------------------|---------------------------|-------------------|-------------------|---------------------------|-------------------|
| | Program | Management and General | Total | Program | Management and General | Total |
| EXPENSES: | | | | | | |
| Advertising | \$ 159 | \$ 300 | 459 | \$ - | \$ 203 | \$ 203 |
| Annual Conference | - | 5,667 | 5,667 | 1,821 | 809 | 2,630 |
| Bad Debt Expense | 4,199 | - | 4,199 | - | - | - |
| Bank Fees | - | 139 | 139 | 150 | - | 150 |
| Board Meeting Expenses | - | 1,039 | 1,039 | - | 378 | 378 |
| Computer Expense | 3,492 | - | 3,492 | 3,480 | 1,150 | 4,630 |
| Conferences and Travel | 21,997 | 3,603 | 25,600 | (35) | 1,695 | 1,660 |
| Copier Expense | 3,733 | - | 3,733 | 1,406 | - | 1,406 |
| Depreciation Expense | - | 93 | 93 | - | 188 | 188 |
| Donations Paid | 3,450 | - | 3,450 | - | 898 | 898 |
| Dues and Subscriptions | 25 | 199 | 224 | 117 | 1,697 | 1,814 |
| Flowers & Gifts | - | 161 | 161 | - | 58 | 58 |
| Insurance | - | 3,143 | 3,143 | 176 | 2,523 | 2,699 |
| Legal Fees | - | 470 | 470 | - | - | - |
| Licenses & Permits | - | 45 | 45 | - | 15 | 15 |
| Membership Dues | - | 213 | 213 | - | 2,246 | 2,246 |
| Miscellaneous Expense | 5 | 2,755 | 2,760 | 157 | 585 | 742 |
| Parliamentarian | 975 | - | 975 | - | - | - |
| Payroll and Benefits | 236,864 | 68,916 | 305,780 | 176,328 | 78,175 | 254,503 |
| Payroll Taxes | 18,922 | 5,652 | 24,574 | 13,603 | 3,881 | 17,484 |
| Postage & Printing | 409 | 1,710 | 2,119 | 817 | 99 | 916 |
| Professional Services | 3,850 | 195 | 4,045 | 60 | 10,950 | 11,010 |
| Rent Expense | 14,884 | - | 14,884 | 14,400 | - | 14,400 |
| Rental Assistance | 79,019 | - | 79,019 | 146,897 | - | 146,897 |
| Repairs & Maintenance | - | 3,208 | 3,208 | - | 1,372 | 1,372 |
| Supplies | 5,216 | 65 | 5,281 | 2,556 | 1,793 | 4,349 |
| Telephone and Internet | 4,639 | - | 4,639 | 4,288 | - | 4,288 |
| Training Seminars | 6,627 | - | 6,627 | 5,255 | 2,705 | 7,960 |
| Utilities | 3,595 | - | 3,595 | 3,412 | 42 | 3,454 |
| Website Maintenance | - | - | - | 60 | - | 60 |
| TOTAL FUNCTIONAL EXPENSES | \$ 412,060 | \$ 97,573 | \$ 509,633 | \$ 374,948 | \$ 111,462 | \$ 486,410 |

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, 2022 and 2021

| | <u>2022</u> | <u>2021</u> |
|---|-------------------|-------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Change in Unrestricted Net Assets | \$ 12,901 | \$ 111,155 |
| Adjustments to Reconcile Change in Unrestricted Net Assets to Net Cash Provided by Operating Activities: | | |
| Depreciation | 93 | 188 |
| Unrealized (gain) loss on investments | 3,344 | (3,653) |
| Noncash PPP loan forgiveness | - | (51,316) |
| Decrease (Increase) in Assets: | | |
| Accounts Receivable | 7,378 | (12,903) |
| Charitable Remainder Trust Assets | 30,622 | (41,188) |
| Increase (Decrease) in Liabilities: | | |
| Payroll Liabilities | - | 19,979 |
| | <u>54,338</u> | <u>22,262</u> |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | 54,338 | 22,262 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 54,338 | 22,262 |
| BEGINNING CASH AND CASH EQUIVALENTS | <u>166,415</u> | <u>144,153</u> |
| ENDING CASH AND CASH EQUIVALENTS | <u>\$ 220,753</u> | <u>\$ 166,415</u> |

NAMI LOUISIANA, INC.
Baton Rouge, Louisiana
NOTES TO FINANCIAL STATEMENTS
June 30, 2022 and 2021

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, 2022, and 2021, NAMI had net assets without donor restrictions of \$304,421 and \$260,898, 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, 2022, and 2021, NAMI had net assets with donor restrictions of \$212,884 and \$243,506, 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, 2022, and 2021.

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, 2022 and 2021

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, 2022 and 2021.

Advertising – NAMI follows the policy of charging the costs of advertising to expense as incurred. Advertising expense amounted to \$459 and \$203 for the years ended June 30, 2022 and 2021, 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 4.8% and 1.2% at June 30, 2022 and 2021, 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.

NAMI LOUISIANA, INC.
Baton Rouge, Louisiana
NOTES TO FINANCIAL STATEMENTS
June 30, 2022 and 2021

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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>2022</u> | | <u>2021</u> | |
|--------------|-------------|---------------|-------------|---------------|
| | <u>Cost</u> | <u>Market</u> | <u>Cost</u> | <u>Market</u> |
| Equity stock | \$ 92 | \$ 20,911 | \$ 92 | \$ 24,255 |

The investment returns for the year ended June 30, 2022, and 2021 are as follows:

| | <u>2022</u> | <u>2021</u> |
|---------------------------|-------------------|-----------------|
| Interest | \$ 13 | \$ 28 |
| Dividends | 382 | 375 |
| Unrealized (losses) gains | (3,344) | 3,653 |
| | <u>\$ (2,949)</u> | <u>\$ 4,056</u> |

NAMI LOUISIANA, INC.
Baton Rouge, Louisiana
NOTES TO FINANCIAL STATEMENTS
June 30, 2022 and 2021

NOTE 3: PROPERTY

Equipment, related service lives and accumulated depreciation as of June 30, 2022 and 2021 were as follows:

| | <u>Estimated Service Lives</u> | <u>FY22</u> | <u>FY21</u> |
|-------------------------------|--------------------------------|-----------------|-----------------|
| Office Equipment | 5 years | \$ 25,725 | \$ 25,725 |
| Website | 3 years | 9,150 | 9,150 |
| Less accumulated depreciation | | <u>(34,828)</u> | <u>(34,735)</u> |
| Net | | <u>\$ 47</u> | <u>\$ 140</u> |

Depreciation expense was \$93 and \$188 for the year ended June 30, 2022 and 2021.

NOTE 4: OPERATING LEASES

NAMI entered into a one-year lease for office space beginning May 1, 2022 and ending April 30, 2023. The monthly lease payment is \$1,300. For the years ended June 30, 2022 and 2021, rent expense was \$14,600 and \$14,400, respectively.

NAMI maintains a sixty-three-month operating lease for a copy machine beginning in June 2020 and ending in October 2025. The monthly lease payment is \$199 plus additional usage charges. For the years ended June 30, 2022, and 2021, rent expense was \$3,733 and \$1,406, respectively. Future minimum payments are:

| <u>Year</u> | <u>Amount to be Paid</u> |
|-------------|--------------------------|
| 2023 | \$ 2,878 |
| 2024 | 2,878 |
| 2025 | <u>959</u> |
| | <u>\$ 6,715</u> |

NOTE 5: PAYCHECK PROTECTION PROGRAM LOANS

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 two years from the origination of the loan. Interest is accrued during the deferment period. Given that the EIDL loan was less than \$10,000, the loan was forgiven during 2021.

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 used the entire loan amount for qualifying expenses. Under the terms of the PPP, the loan may be forgiven if they are used for qualifying expenses as described in the CARES Act. In September 2021, the entity received notification from the SBA for the PPP loan forgiveness applications, informing NAMI that SBA has reached a decision to forgive the entire principal amount of \$46,316 of the original PPP loan. NAMI has recognized \$46,316 as grant revenue for the year ended June 30, 2021, which represents 100% of the loan proceeds.

NAMI LOUISIANA, INC.
Baton Rouge, Louisiana
NOTES TO FINANCIAL STATEMENTS
June 30, 2022 and 2021

NOTE 6: 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, 2022 and 2021, 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, 2022 and 2021. Generally, the tax years before 2018 are no longer subject to examination by federal, state, or local taxing authorities.

NOTE 7: 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 66% and 78% for the year ending June 30, 2022 and 2021, respectively.

NOTE 8: 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, 2022 and 2021, NAMI's deposits were covered by insurance provided by the U.S. Federal Deposit Insurance Corporation (FDIC).

NOTE 9: 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 10: RELATED PARTY TRANSACTIONS

NAMI will randomly pay the local chapters across Louisiana for various expenses. During the years ended June 30, 2022 and 2021, NAMI paid \$3,150 and \$858, respectively to other local chapters.

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, 2022 and 2021, 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>2022</u> | <u>2021</u> |
| Current Assets, excluding nonfinancial assets | \$303,174 | \$259,558 |
| Less those unavailable for general expenditures within a year: | - | - |
| Financial Assets available to meet cash needs for general expenditures within one year | <u>\$303,174</u> | <u>\$259,558</u> |

NAMI LOUISIANA, INC.
Baton Rouge, Louisiana
NOTES TO FINANCIAL STATEMENTS
June 30, 2022 and 2021

NOTE 12: PRIOR PERIOD ADJUSTMENT

At the prior year end, June 30, 2021, the payroll tax liability should have been zero. All payroll tax liabilities had been paid as of year end and were incorrectly coded to the expense. The prior year net assets were understated \$30,375. The financial statements have been corrected to reflect the misstatement.

NOTE 13: SUBSEQUENT EVENTS

In preparing these financial statements, NAMI has evaluated events and transactions for potential recognition or disclosure through November 22, 2022, the date the financial statements were available to be issued.

NAMI LOUISIANA, INC.
Baton Rouge, Louisiana

SUPPLEMENTAL SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS, AND OTHER
PAYMENTS TO AGENCY HEAD, POLITICAL SUBDIVISION HEAD, OR CHIEF EXECUTIVE OFFICER

For the Years Ended June 30, 2022 and 2021

Agency Head: Lashonda DeRouen, Executive Director (June 2021)

| | <u>2022</u> | <u>2021</u> |
|-----------------------------------|-------------|-------------|
| Salary | \$81,790 | 4,560 |
| Travel and Expense Reimbursements | 1,390 | 224 |

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 on NAMI Louisiana, Inc.'s (the Agency) compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended June 30, 2022, 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 Agency has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the Agency's compliance with the laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the year ended June 30, 2022. Additionally, the Louisiana Legislative Auditor has agreed to and acknowledged that the procedures performed are appropriate for its purposes. The report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

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, 2022:

| Federal, State, or Local Grant Name | Grant Year | CFDA No. (if applicable) | Amount |
|-------------------------------------|------------|-----------------------------|-----------|
| Department of Health and Hospitals | 6-30-2022 | 93.958 | \$128,967 |
| Department of Health and Hospitals | 6-30-2022 | 93.958 | \$96,795 |
| Department of Health and Hospitals | 6-30-2022 | 93.958 | \$154,014 |
| | | | |
| Total Expenditures | | | \$379,776 |

The Agency represented that they received no state or local government grant awards during the fiscal year ended June 30, 2022.

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. ***No Exceptions Noted***

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

We compared documentation for each of the selected disbursements with program compliance requirements related to services allowed or not allowed. ***No Exceptions Noted.***

Eligibility

We compared documentation for each of the selected disbursements with program compliance requirements related to eligibility. ***No Exceptions Noted.***

Reporting

We compared documentation for each of the selected disbursements with program compliance requirements related to reporting. ***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

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 Meetings Law” 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.

The agency’s report was submitted to the Legislative Auditor before the statutory due date of December 31, 2022.

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.

We were engaged by the Agency to perform this agreed-upon procedures engagement and conducted our engagement 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 engagement, 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.

We are required to be independent of NAMI Louisiana, Inc., and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended 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
November 22, 2022

ATTACHMENTS:

SIGNED LOUISIANA ATTESTATION QUESTIONNAIRE

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

November 22, 2022

TWRU CPAs & Financial Advisors
527 East Airport Avenue
Baton Rouge, LA 70806

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of June 30, 2022, 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 N/A

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 N/A

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

Yes No N/A

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 N/A

Open Meetings

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 N/A

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 N/A

Reporting

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

Yes No N/A

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 N/A

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 N/A

We have complied with R.S. 24:515.2 regarding reporting of pre- and post- adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

Yes No N/A

Prior-Year Comments

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

Yes No N/A

General

We acknowledge that we are responsible for the Agency's compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes No N/A

We acknowledge that we are responsible for determining that that the procedures performed are appropriate for the purposes of this engagement.

Yes No N/A

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

Yes No N/A

We have provided you with all relevant information and access under the terms of our agreement.

Yes No N/A

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 N/A

We are not aware of any material misstatements in the information we have provided to you.

Yes No N/A

We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others concerning noncompliance with the foregoing laws and regulations, including communications received during the period under examination; and will disclose to you any such communication received between the end of the period under examination and the date of your report.

Yes No N/A

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies all known noncompliance and other events subsequent to the date of this representation and the date of your report that could have a material effect on our compliance with laws and regulations and the internal controls with such laws and regulations, or would require adjustment or modification to the results of the agreed-upon procedures.

Yes [X] No [] N/A []

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

LaShonda J. Williams Executive Director 11/22/22 Date

Antonio F.D. Carriere President 11/29/2022 Date