The Extra Mile, Region IV, Inc.

FINANCIAL STATEMENTS AND
AUDITORS' REPORT

June 30, 2024

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Stulb & Associates, APAC
Certified Public Accountants

James F. Stulb, C.P.A.
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INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinion
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, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Extra Mile, Region IV, Inc., as of June 30, 2024 and 2023, 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.

Basis for Opinion
We conducted our audit 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Extra Mile, Region IV, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Extra Mile, Region IV, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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Auditors' Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Extra Mile, Region IV, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Extra Mile, Region IV, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary 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 30, 2024, 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 30, 2024

The Extra Mile, Region IV, Inc.
STATEMENTS OF FINANCIAL POSITION
June 30, 2024 and 2023

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 42,056	$ 303,554
Certificates of deposit	40,120	40,120
Accounts receivable		
Grants and contracts	577,898	383,999
Other	221	291
Prepaid expenses	9,687	8,410
Total Current Assets	669,982	736,374
PROPERTY AND EQUIPMENT		
Furniture and equipment	381,805	380,328
Buildings and improvements	893,520	611,868
Land	104,220	104,220
Accumulated depreciation	(253,599)	(173,506)
Net Property and Equipment	1,125,946	922,910
OPERATING LEASE RIGHT OF USE ASSETS, Net	298,982	-
SECURITY DEPOSITS	6,800	6,800
TOTAL ASSETS	$ 2,101,710	$ 1,666,084
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	$ 90,057	$ 40,920
Current portion of note payable	14,053	13,369
Current portion of operating lease liabilities	60,425	-
Line of credit	90,794	152,750
Accrued liabilities	15,409	14,074
Total Current Liabilities	270,738	221,113
OPERATING LEASE LIABILITIES, less current portion	245,158	-
LONG-TERM DEBT, less current portion	351,474	363,365
Total Liabilities	867,370	584,478
NET ASSETS		
Without donor restrictions	846,215	899,386
With donor restrictions	388,125	182,220
Total Net Assets	1,234,340	1,081,606
TOTAL LIABILITIES AND NET ASSETS	$ 2,101,710	$ 1,666,084

See accompanying notes and accountants' report

The Extra Mile, Region IV, Inc.
STATEMENTS OF ACTIVITIES
For the Years ended June 30, 2024 and 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and Gains						
Grants and contracts	$ -	$ 2,461,634	$ 2,461,634	$ -	$ 2,362,007	$ 2,362,007
Contributions	-	55,364	55,364	-	23,282	23,282
Contributed facilities	-	39,341	39,341	-	39,341	39,341
Contributed supplies	-	241,713	241,713	-	121,012	121,012
Other	109,063	-	109,063	79,927	-	79,927
Interest	1,171	-	1,171	298	-	298
Total Revenue and Gains	110,234	2,798,052	2,908,286	80,225	2,545,642	2,625,867
Net Assets Released from Restrictions	2,592,147	(2,592,147)	-	2,707,398	(2,707,398)	-
Total Revenue, Support, and Gains	2,702,381	205,905	2,908,286	2,787,623	(161,756)	2,625,867
Expenses						
Program service	2,717,433	-	2,717,433	2,151,403	-	2,151,403
Management and general	38,119	-	38,119	28,888	-	28,888
Total Expenses	2,755,552	-	2,755,552	2,180,291	-	2,180,291
Increase (Decrease) in Net Assets	(53,171)	205,905	152,734	607,332	(161,756)	445,576
Net Assets at Beginning of Year	899,386	182,220	1,081,606	292,054	343,976	636,030
Net Assets at End of Year	$ 846,215	$ 388,125	$ 1,234,340	$ 899,386	$ 182,220	$ 1,081,606

The Extra Mile, Region IV, Inc.
STATEMENTS OF FUNCTIONAL EXPENSES
For the Years Ended June 30, 2024 and 2023

	6/30/2024					
	Program Services					
	Volunteer Program	Family Support	Adult Support	Administrative	Fundraising	Total
Functional Expenses						
Salaries and stipends	$ 24,143	$ 1,264,504	$ 25,922	$ 17,743	$ -	$ 1,332,312
Payroll taxes and related benefits	11,943	183,615	288	21	-	195,867
Travel	886	43,592	-	-	-	44,478
Operating expenses	41,480	273,920	31,184	6,265	-	352,849
Supplies	3,935	29,782	987	-	-	34,704
Donated materials	3,027	238,686	-	-	-	241,713
Client assistance	-	103,434	11,453	-	-	114,887
Professional fees	17,910	300,094	5,888	-	-	323,892
Interest expense	-	20,667	-	14,090	-	34,757
Depreciation	4,986	75,107	-	-	-	80,093
Total expenses	$ 108,310	$ 2,533,401	$ 75,722	$ 38,119	$ -	$ 2,755,552

	6/30/2023					
	Program Services					
	Volunteer Program	Family Support	Adult Support	Administrative	Fundraising	Total
Functional Expenses						
Salaries and stipends	$ 38,225	$ 1,059,271	$ 23,666	$ 16,817	$ -	$ 1,137,979
Payroll taxes and related benefits	29,184	171,929	352	1,248	-	202,713
Travel	199	28,972	-	-	-	29,171
Operating expenses	39,902	233,060	26,144	3,986	-	303,092
Supplies	3,608	41,388	571	-	-	45,567
Donated materials	5,209	115,803	-	-	-	121,012
Client assistance	-	53,055	483	-	-	53,538
Professional fees	22,113	189,544	-	-	-	211,657
Interest expense	-	18,886	-	6,837	-	25,723
Depreciation	13,550	36,289	-	-	-	49,839
Total expenses	$ 151,990	$ 1,948,197	$ 51,216	$ 28,888	$ -	$ 2,180,291

The Extra Mile, Region IV, Inc.
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2024 and 2023

		2024		2023
Cash Flows from Operating Activities				
Change in Net Assets	$	152,734	$	445,576
Adjustments to reconcile change in Net Assets				
Depreciation		80,093		49,839
Interest Earned on Certificates of Deposit		-		(108)
Decrease (Increase) in operating assets:				
Accounts receivable				
Grants and contracts		(193,899)		(92,201)
Other		70		(291)
Prepaid expenses		(1,277)		(2,333)
Increase (Decrease) in operating liabilities:				
Accounts payable		49,137		11,230
Changes in leases		6,601		-
Accrued liabilities		1,335		2,193
Total Adjustments		(57,940)		(31,671)
Net Cash Provided (Used) by Operating Activities		94,794		413,905
Cash Flows from Investing Activities				
Purchase of property and equipment		(283,129)		(385,933)
Net Cash Provided (Used) by Investing Activities		(283,129)		(385,933)
Cash Flows from Financing Activities				
Proceeds from Line of Credit		285,000		390,250
Payments on Line of Credit		(346,956)		(237,500)
Note Principal Payments		(11,207)		(12,988)
Net Cash Provided (Used) by Financing Activities		(73,163)		139,762
Net Increase (Decrease) in Cash and Cash Equivalents		(261,498)		167,734
Cash and Cash Equivalents - Beginning of Year		303,554		135,820
Cash and Cash Equivalents - End of Year	$	42,056	$	303,554
Supplemental Disclosures				
Cash paid for interest	$	34,757	$	25,723

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.

<u>Nature of Activities</u>
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.

<u>Basis of Accounting</u>
The accompanying financial statements presented herein have been prepared on the accrual basis in accordance with generally accepted accounting principles.

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

<u>Support and Expenses</u>
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.

<u>Financial Statement Presentation</u>
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, whereby the donor has stipulated the funds be maintained in perpetuity.

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, 2024 and 2023.

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, 2024 and 2023 was $80,093 and $49,839, respectively.

Leases

The Organization entered into an operating lease on December 1, 2023 for its location at 720 St. John Street in Lafayette, Louisiana. The Organization accounts for leases in accordance with ASC Topic 842: *Leases*, which establishes a right-of-use model that requires a lessee to record a right-of-use asset ("ROU") and a lease liability on the Statement of Net Position for all leases with initial terms longer than 12 months. Right-of-use assets represent a right to use an underlying asset for the lease term and lease liabilities represent an obligation to make lease payments arising from the lease. Lease right-of-use assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term including as applicable, options to extend or terminate the lease if it is reasonably certain to do so. When the lease does not provide an implicit rate, the current incremental borrowing rate is used in determining the present value of the lease payments.

NOTE B CERTIFICATES OF DEPOSIT

As of June 30, 2024, the Organization had a twelve month certificate of deposit that matures on May 18, 2025. The certificate of deposit serves as collateral for the business line of credit with Home Bank (Note K). The certificate yields 2.48%.

NOTE C GRANTS AND CONTRACTS RECEIVABLE

Grants and contracts receivable represents amounts due from various Federal, State, and Parish agencies and Medicaid Providers reported at their unpaid balance and are deemed to be fully collectible by management. Collection losses have historically been immaterial, and management concluded that, based on its review of balances outstanding, a valuation allowance was not needed. Management writes off balances at the time they are deemed uncollectible.

NOTE D LIQUIDITY AND AVAILABILTY 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 $150,000 line of credit for operating needs. 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	$42,056
Certificates of deposit maturing within one year	40,120
Accounts receivable	578,119
Financial assets at year-end	660,295
Less amounts not available to be used within one year:	
Net assets with donor restrictions	(388,125)
Purpose restrictions to be met in less than a year	388,125
Total amount not available to be used within one year	-
Financial assets available to meet cash needs for general expenditure within one year	$660,295

NOTE E CHANGE IN CAPITAL ASSETS

A summary of capital assets for the year ended June 30, 2024 is as follows:

	June 30, 2023	Additions	Retirements	June 30, 2024
Non-depreciable:				
Land	$104,220	$ -	$ -	$104,220
Depreciable:				
Furniture and Equipment	380,328	1,477	-	381,805
Building and Improvements	611,868	281,652	-	893,520
Total	1,096,416	283,129		1,379,545
Accumulated Depreciation	(173,506)	(80,093)	-	(253,599)
	$922,910	$203,036	$ -	$1,125,946

NOTE E CHANGE IN CAPITAL ASSETS - Continued

Two buildings and land with total costs of $992,416 are pledged as collateral in connection with the note payable (Note L). 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.

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:

	2024	2023
Specific Purpose		
Program related expenditures	$6,266	$ 5,674
Passage of Time		
Accounts receivable	381,859	176,546
Total	$388,125	$182,220

NOTE G DONATED MATERIALS, FACILITIES, 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, 2024 and 2023 was 7,016 and 7,403, respectively.

The Extra Mile receives donations of food, clothing, and supplies. Management estimates the value of these donations based on thrift shop value for the years ended June 30, 2024 and 2023 to be $241,712 and $121,012, respectively. These donations are recorded as contributed supplies 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 based on market analysis for the years ended June 30, 2024 and 2023 to be $39,341 and $39,341, respectively. This donation is recorded as contributed facilities 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 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. This lease was renewed for 5 years expiring on November 30, 2028 (Note M). The other lease agreement is for the period December 1, 2018 through November 30, 2023 (continuing on a month to month basis), at a monthly rent of $1,000. Lease expense, including donated space (Note G), for the years ended June 30, 2024 and 2023 was $120,789 and $120,941.

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, 2024 and 2023 were $0 and $93,673, respectively. Grants receivable are principally with the State of Louisiana and Medicaid Providers.

NOTE K LINE OF CREDIT

The Organization maintains a $150,000 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 9.75%. The balance as of June 30, 2024 and 2023 was $35,000 and $0, respectively. The total interest paid on this line of credit for the years ended June 30, 2024 and 2023 was $4,494 and $5,348.

On April 2, 2024 the Organization obtained a $180,000 short-term line of credit to help finance capital improvements that qualified for grant reimbursements. Interest accrues on the outstanding balance at a rate of 9.00%. The balance as of June 30, 2024 was $55,794. The line of credit was paid off in July 2024 after receiving the related grant reimbursements.

On April 21, 2023, the Organization obtained a $250,000 short-term line of credit to help finance capital improvements that qualified for grant reimbursements. Interest accrues on outstanding balances at a variable interest rate of 9.00%. The line of credit balance as of June 30, 2023 was $152,500. The line of credit was paid off in July 2023 after receiving the related grant reimbursements.

NOTE L NOTE PAYABLE

In October 2020, with the consent of the Board of Directors, management executed a contract for the purchase of a building and land located in Scott, Louisiana to start a new program. The purchase transaction closed on July 13, 2022. The purchase price was $500,000 (plus net closing costs of $3,405). 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. The loan balance as of June 30, 2024 was $365,527. The note is secured by real estate collateral and continuing security interest in any and all funds the

NOTE L NOTE PAYABLE - Continued

Organization may now and in the future have on deposit with the Lender, in certificates of deposit, or other deposit accounts in which the Organization is an account holder.

The maturity of the note payable is as follows:

June 30, 2025	$14,053
June 30, 2026	14,772
June 30, 2027	15,528
June 30, 2028	16,322
June 30, 2029	17,157
June 30, 2030 and thereafter	287,695
	$365,527

Interest paid for the year ended June 30, 2024 was $20,667.

NOTE M LEASE PAYABLE

Lease payable, lease expense and lease interest expense related to its long-term lease as of June 30, 2024 is as follows:

Property/Term	Lease Date	Lease Payable	Lease Expense	Interest
720 St. John Street	12/1/2023	$305,584	$39,488	$9,463

5 year future payments due under the terms of the lease are as follows:

Year ended June 30,	Principal	Interest
2025	$ 60,425	$13,925
2026	66,586	10,764
2027	71,290	7,310
2028	74,938	3,662
2029	32,344	405

The following summarized the line items in the balance sheet which include amounts for operating leases as of June 30, 2024:

Operating lease right-of-use assets, net	$298,982
Short-term lease liability	$60,425
Long-term lease liability	245,158
Total operating lease liability	$305,583

NOTE M LEASE PAYABLE - Continued

Supplemental cash flow information related to long-term leases as of June 30, 2024 was as follows:

Cash paid for amounts included in the measurement of lease liabilities:	
Operating lease	$42,350
Lease assets obtained in exchange for lease obligations	$338,470

NOTE N 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 O 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, 2024 and 2023 was $15,082 and $15,332, respectively.

NOTE P 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, 2024 and 2023 was $50,894 and $53,947, respectively. The total amount of unpaid accumulated sick leave for the years ended June 30, 2024 and 2023 was $96,390 and $86,324, respectively.

NOTE Q SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through December 30, 2024, 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, 2024

AGENCY HEAD NAME: George Mills, Executive Director

PURPOSE	**AMOUNT**
Salary	$96,802
Benefits	
Retirement	8,340
Insurance	1,275
Telephone	660
Travel Reimbursements	394
TOTAL	$107,471

The Extra Mile, Region IV, Inc.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2024

Federal Grantor/ Pass - through Grantor/ Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Federal Expenditures
CDBG - Entitlement Grants-Cluster			
Department of Housing and Urban Development			
Passed through the Lafayette Consolidated Government			
Community Development Block Grants/Entitlement Grants	14.218	CDBG-1	$ 90,885
Total CDBG - Entitlement Grants-Cluster			90,885
Other Programs (Treated individually for major program determination)			
Department of Health and Human Services,			
Passed through the Louisiana Department of Children and Family Services,			
Promoting Safe and Stable Families	93.556*	2000707771	864,515
Total Promoting Safe and Stable Families*			864,515
Temporary Assistance for Needy Families (TANF) State Programs			
Passed through Acadiana Area Human Services District			
Block Grants for Community Mental Health Services	93.558	2000764413	430,115
COVID-19 Promoting Safe and Stable Families	93.558	2000707771	167,325
Total Temporary Assistance for Needy Families State Programs			597,440
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	**2000764412	44,829
Block Grants for Community Mental Health Services	93.958	**2000764391	49,428
Block Grants for Community Mental Health Services	93.958	**2000764394	8,244
Block Grants for Community Mental Health Services	93.958	2000775568	100,809
Total Block Grants for Community Mental Health Services			203,310
Total Other Programs			1,665,265
Total Expenditures of Federal Awards			$ 1,756,150

* 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, 2024

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, 2024. 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, 2024

Cash Basis Presentation	First Six Month Period Ended 12/31/2023	Second Six Month Period Ended 6/30/2024
Receipts from:		
Criminal Court Costs/Fees – 15th Judicial District Court	$1,500	$12,000
TOTAL	$1,500	$12,000

Stulb & Associates, APAC
Certified Public Accountants

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

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, 2024 and 2023, 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 30, 2024.

Report on 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) as a basis for designing 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.

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Our consideration of the 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-1 that we consider to be a significant deficiency.

Report on 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*.

The Extra Mile, Region IV, Inc.'s Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on The Extra Mile, Region IV, Inc.'s response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Extra Mile, Region IV, Inc.'s response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.

Stulb & Associates

Lake Charles, Louisiana
December 30, 2024

Stulb & Associates, APAC
Certified Public Accountants

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

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

Opinion on Each Major Federal Program

We have audited The Extra Mile, Region IV, Inc.'s compliance with the types of compliance requirements identified as subject to audit 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, 2024. The organization's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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, 2024.

Basis for Opinion on Each Major Federal Program

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). Our responsibility under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of The Extra Mile, Region IV, Inc. and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of The Extra Mile, Region IV, Inc.'s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, regulations, rules, and provisions of contracts or grant agreements applicable to The Extra Mile, Region IV, Inc.'s federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on The Extra Mile, Region IV, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about The Extra Mile, Region IV, Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding The Extra Mile, Region IV, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of The Extra Mile, Region IV, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 The Extra Mile, Region IV, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Stulb & Associates

Lake Charles, Louisiana
December 30, 2024

The Extra Mile, Region IV, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Section I – Summary of Auditors' Results
June 30, 2024

Financial Statements

Type of auditors' report issued:	Unmodified	
Internal control over financial reporting:		
• Material weakness identified?	___ Yes	__X_ No
• Significant Deficiency(ies) identified that are not considered to be material weaknesses?	__X_ Yes	____ None Reported
• Noncompliance material to financial statements noted?	___ Yes	__X_ No

Federal Awards

Internal control over major programs:		
• Material weakness identified?	___ Yes	__X_ No
• Significant Deficiency(ies) identified that are not considered to be material weaknesses?	___ Yes	__X_ 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	__X_ No

Identification of major programs:

ASSITANCE LISTING 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?	__X_ Yes	____ No

The Extra Mile, Region IV, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section II – Financial Statement Findings

Current Audit

2024-1

Grants and Contracts

Criteria: In order to maintain controls over payments due from service contracts, a schedule of clients served and completed contracts should be maintained. The amounts received should be reconciled to the schedule of clients served on a monthly basis and the deposit detail on the general ledger. The schedule of aged unpaid service contracts should be reviewed on a monthly basis and all accounts aged more than 90 days should be investigated.

Condition: The Organization's internal control over service contract receivables failed to reconcile amounts due on service contracts with the amounts received. Aged service contracts in excess of 90 days were not investigated in a timely manner.

Effect: Without controls over service contract receivables, uncollected payments may not be detected.

Cause: Management did not reconcile the service contract revenue or review and investigate the service contract receivables.

Recommendation: We recommend the Organization reconcile the service contract revenue and review the schedule of unpaid service contracts on a monthly basis and investigate all accounts aged more than 90 days.

Response: Management will reconcile the service contract revenue and review the schedule of unpaid service contracts on a monthly basis. The Organization will also perform follow-up procedures on contracts that do not receive payment in a timely manner.

Prior Audit

2023-1

Grants and Contracts

Condition: The Organization's internal control over service contract receivables failed to reconcile amounts due on service contracts with the amounts received. Aged service contracts in excess of 90 days were not investigated in a timely manner.

Response: Management will reconcile the service contract revenue and review the schedule of unpaid service contracts on a monthly basis. The Organization will also perform follow-up procedures on contracts that do not receive payment in a timely manner.

Section III – Federal Awards Findings and Questioned Costs

The results of our tests disclosed no instances of non-compliance with the requirements applicable to each major federal program that are required to be reported in accordance with the uniform guidance.

Stulb & Associates, APAC
Certified Public Accountants

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

INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of The Extra Mile, Region IV, Inc. (Entity) and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2023 through June 30, 2024. The Entity's management is responsible for those C/C areas identified in the SAUPs.

The Entity 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 C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2023 through June 30, 2024. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This 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:

1) Written Policies and Procedures

A. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories if applicable to public funds and the entity's operations:

i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

We performed the procedure above and noted no exceptions.

ii. ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

We performed the procedure above and noted no exceptions.

iii. ***Disbursements***, including processing, reviewing, and approving.

We performed the procedure above and noted no exceptions.

iv. ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

We performed the procedure above and noted the following exceptions:
The entity has no written policies and procedures regarding Receipts/Collections.

v. ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

We performed the procedure above and noted no exceptions.

vi. ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

We performed the procedure above and noted the following exceptions:
The entity has no written policies and procedures regarding Contracting.

vii. ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

We performed the procedure above and noted no exceptions.

viii. ***Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

We performed the procedure above and noted no exceptions.

ix. ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

The Entity is a Nonprofit Organization and therefore the Ethics requirements are not applicable.

x. ***Debt Service,*** including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

The Entity does not maintain a written debt service policy.

xi. ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

We performed the procedure above and noted no exceptions.

xii. ***Prevention of Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

The entity is a Nonprofit Organization and therefore the Prevention of Sexual Harassment requirements are not applicable.

Management response:
1d) Receipts: The Entity is in the process of adopting a fiscal policy to include written policies and procedures for receiving, recording and preparing deposits.
1f) Contracting: The Entity is in the process of adopting a fiscal policy to include policies regarding written contracts, standard terms and conditions, legal review, and to establish an approval and monitoring process.
1j) Debt Service: The Entity is in the process of adopting a fiscal policy to include debt issuance approval, reporting requirements, debt reserve requirements, and debt service requirements.

2) Board or Finance Committee

A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

ii. For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

> ***We performed the procedure above and noted the following exceptions:***
> **The board received verbal updates, not written updates, on the progress of resolving audit findings.**

Management response:
2Aiv) The entity will prepare written updates on the progress of resolving audit findings to the board.

3) Bank Reconciliations

A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

ii. Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and

iii. Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

We performed the procedures above and noted the following exceptions:
There was no evidence showing that a member of management/board member who does not handle cash, post ledgers, or issue checks had reviewed the bank reconciliation. There was no written evidence showing that two of the items outstanding for more than 12 months had been researched.

Management response:
3Bii) Bank Reconciliations: The Entity will implement a policy whereby the bank reconciliation will be reviewed by the board treasurer on a monthly basis.
3Biii) Bank Reconciliations: The Entity will ensure that all reconciling items outstanding for more than 12 months will be researched and documented.

4) Collections (excluding electronic funds transfers)

A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

i. Employees responsible for cash collections do not share cash drawers/registers;

ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit;

iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and

iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not also responsible for collecting cash, unless another employee/official verifies the reconciliation.

We performed the procedures above and noted no exceptions.

C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was enforced during the fiscal period.

We performed the procedures above and noted no exceptions.

D. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

i. Observe that receipts are sequentially pre-numbered.

ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

iii. Trace the deposit slip total to the actual deposit per the bank statement.

iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than $100 and the cash is stored securely in a locked safe or drawer).

v. Trace the actual deposit per the bank statement to the general ledger.

We performed the procedures above and noted the following exceptions:
There was no record of receipt, therefore we could not verify if the deposit was made within one business day of receipt.

Management's response:
4Div) The Entity will record date of receipt and will deposit all cash collections within one business day of receipt or as soon as feasibly possible.

5) Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

B. For each location selected under #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase;

ii. At least two employees are involved in processing and approving payments to vendors;

iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;

iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and

v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearing house (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

We performed the procedures above and noted no exceptions.

C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and

i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and

ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.

We performed the procedures above and noted the following exceptions:
The following disbursements did not have proper documentation showing evidence of segregation of duties:

Date	**Name**	**Amount**
1/3/24	**Stinson Fencing**	**$6,490**

D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

We performed the procedures above and noted no exceptions.

Management response:
5Cii) The entity will ensure that all disbursements include a Check Request showing evidence of proper segregation of duties.

6) Credit Cards/Debit Cards/Fuel Cards/P-Cards

A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the person who maintained possession of the cards. Obtain management's representation that the listing is complete.

B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and

i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder (those instances requiring such approval may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and

ii. Observe that finance charges and late fees were not assessed on the selected statements.

We performed the procedures above and noted the following exceptions:
There was no evidence showing the monthly statements were reviewed and approved.

C. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

We performed the procedures above and noted the following exceptions:
The following disbursements did not have proper supporting documentation:

Date	Name	Amount	Finding
6/17/24	Indeed	$478.81	No documentation of business purpose

Management response:
6Bii) The entity will ensure that all credit card statements are reviewed and approved.
6C) The entity will ensure that all credit card transactions include proper supporting documentation.

7) Travel and Travel-Related Expense Reimbursements (excluding card transactions)

A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);

ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;

iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1A(vii); and

iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

We performed the procedures above and noted no exceptions.

8) Contracts

A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;

ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter);

iii. If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g. if approval is required for any amendment, the documented approval); and

iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

We performed the procedures above and noted no exceptions.

9) Payroll and Personnel

A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

B. Randomly select one pay period during the fiscal period. For the 5 employees selected under #9A above, obtain attendance records and leave documentation for the pay period, and

i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory); (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.);

ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;

iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and

iv. Observe that the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

We performed the procedures above and noted no exceptions.

C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity policy on termination payments. Agree the hours to the employee or officials' cumulate leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

We performed the procedures above and noted no exceptions.

D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g. payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

We performed the procedures above and noted no exceptions.

10) Ethics

The Entity is a Nonprofit Organization and therefore the Ethics requirements are not applicable.

11) Debt Service

A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

We performed the procedures above and noted no exceptions.

B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

We performed the procedures above and noted no exceptions.

12) Fraud Notice

A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

We performed the procedures above and noted no exceptions.

B. Observe that the entity has posted on, its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

We performed the procedures above and noted no exceptions.

13) Information Technology Disaster Recovery/Business Continuity

A. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**

   i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

   ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

   iii. Obtain a listing of the entity's computers currently in use, and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

   We performed the procedures above and discussed the results with management.

B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in Payroll and Personnel procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

   We performed the procedures above and discussed the results with management.

C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

   - Hired before June 9, 2020 – completed the training; and
   - Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

   We performed the procedures above and discussed the results with management.

14) Prevention of Sexual Harassment

The Entity is a Nonprofit Organization and therefore the Prevention of Sexual Harassment requirements are not applicable.

We were engaged by The Extra Mile, Region IV, Inc. 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 applicable standards of *Government Auditing Standards*.

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 those C/C areas identified in the SAUPs. 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 The Extra Mile, Region IV, 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 those C/C areas identified in the SAUPs, 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 LLA as a public document.

Stulb & Associates

Lake Charles, Louisiana
December 30, 2024