

NAMI LOUISIANA, INC.

Baton Rouge, Louisiana

Financial Report

As of and for the Year Ended

June 30, 2010

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 3/16/11

DONALD C. De VILLE
Certified Public Accountant
7829 Bluebonnet Boulevard
Baton Rouge, Louisiana 70810

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Certified Public Accountant



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INDEPENDENT AUDITOR'S REPORT

December 13, 2010

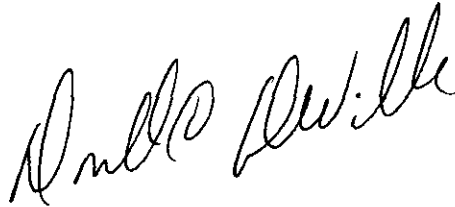
Members of the Board of Directors
NAMI Louisiana, Inc.
Baton Rouge, Louisiana

I have audited the accompanying Statement of Financial Position of NAMI Louisiana, Inc. (a non-profit organization) as of June 30, 2010 and the related Statements of Activities, Functional Expenses and Cash Flows for the year then ended. The financial statements are the responsibility of NAMI Louisiana, Inc.'s management. My responsibility is to express an opinion of these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Governmental Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provided a reasonable basis for my opinion.

In my opinion, the financial statement referred to above present fairly, in all material respects, the financial position of NAMI Louisiana, Inc. as of June 30, 2010, and the changes in net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, I have also issued my report dated December 13, 2010, on my consideration of NAMI Louisiana, Inc.'s internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of my audit.

A handwritten signature in cursive script, appearing to read "Donald D. Wille".

NAMI LOUISIANA, INC
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2010

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
ASSETS:				
Cash	\$114,152	\$0	\$16,314	\$130,466
Investments-Merrill Lynch	8,268	0	0	8,268
Grants Receivable	54,471	0	0	54,471
Assets Held Under Charitable Remainder Trust	0	319,143	0	319,143
Fixed Assets, net	1,620	0	0	1,620
Total Assets	<u>178,511</u>	<u>319,143</u>	<u>16,314</u>	<u>513,968</u>
LIABILITIES AND NET ASSETS:				
LIABILITIES:				
Accounts Payable	\$320	\$0	\$0	\$320
Payroll Withholdings Payable	4,302	0	0	4,302
Liabilities Under Trust Agreement	0	126,545	0	126,545
	<u>4,622</u>	<u>126,545</u>	<u>0</u>	<u>131,167</u>
				0
NET ASSETS				0
Unrestricted	173,889	0	0	173,889
Temporarily Restricted	0	192,598	0	192,598
Permanently Restricted	0	0	16,314	16,314
	<u>173,889</u>	<u>192,598</u>	<u>16,314</u>	<u>382,801</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>178,511</u>	 <u>319,143</u>	 <u>16,314</u>	 <u>513,968</u>

See accompanying notes.

NAMI LOUISIANA, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2010

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
REVENUES:				
Contributions	\$9,357	\$0	\$0	\$9,357
Grants-Governmental	289,553	0	0	289,553
Grants-Private	15,040	0	0	15,040
Program Service Revenue	200	0	0	200
Membership Dues	2,160	0	0	2,160
Investment Income	233	0	1	234
Change in Value of Split-Interest Agreements	0	106,558	0	106,558
Gain (Loss) on Investments	69	0	0	69
Other Income	2,898	0	0	2,898
Total Revenue	<u>319,510</u>	<u>106,558</u>	<u>1</u>	<u>426,069</u>
EXPENSES:				
Program Services				
Mental Health	280,950	0	0	280,950
Supporting Services:				
Management and General	29,951	0	0	29,951
Total Expenses	<u>310,901</u>	<u>0</u>	<u>0</u>	<u>310,901</u>
Increase in Net Assets	8,609	106,558	1	115,168
NET ASSETS AT BEGINNING OF YEAR	<u>165,280</u>	<u>86,040</u>	<u>16,313</u>	<u>267,633</u>
NET ASSETS AT END OF YEAR	<u>173,889</u>	<u>192,598</u>	<u>16,314</u>	<u>382,801</u>

See accompanying notes.

NAMI, LOUISIANA, INC
STATEMENT OF FUNCTIONAL EXPENSE
YEAR ENDED JUNE 30, 2010

	<u>PROGRAM SERVICES</u>	<u>SUPPORT SERVICES</u>	
	<u>MENTAL HEALTH</u>	<u>MANAGEMENT AND GENERAL</u>	<u>TOTAL</u>
Advertising and Marketing	\$2,175	\$0	2,175
Assistance	50,790	0	50,790
Conferences	6,845	0	6,845
Contract Labor	1,350	0	1,350
Contributions	153	0	153
Depreciation	635	0	635
Dues & Subscriptions	1,879	0	1,879
Employee Benefits	13,685	2,606	16,291
Insurance	2,398	0	2,398
Licenses	5	0	5
Legal & Accounting	5,885	1,120	7,005
Miscellaneous	1,688	0	1,688
Occupancy	8,875	0	8,875
Payroll Taxes	9,870	1,880	11,750
Postage	493	0	493
Printing	899	0	899
Repairs	1,483	0	1,483
Salaries	127,813	24,345	152,158
Supplies	3,027	0	3,027
Telephone	7,251	0	7,251
Training	11,185	0	11,185
Travel and Conferences	22,158	0	22,158
Utilities	408	0	408
Total Expenses	280,950	29,951	310,901

See accompanying notes.

NAMI LOUISIANA, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2010

CASH FLOWS FROM OPERATING ACTIVITIES:

Increase (Decrease) in net assets \$115,168

Adjustments to reconcile increases in net assets to net cash provided by operating activities:

Depreciation 635
 Prior Period Adjustments 0

(Increases) decreases in operating assets:

Grants Receivable 8,731

Increases (decreases) in operating liabilities:

Accounts Payable 320
 Employee Payroll Deductions (1,047)

NET CASH PROVIDED BY OPERATING ACTIVITIES 123,807

CASH FLOWS FROM INVESTING ACTIVITIES

(Increase) Decrease in Investments 63
 (Increase) Decrease in Charitable Remainder Trust (106,558)
 Payment for equipment 0

NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES (106,495)

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS 17,312

BEGINNING CASH AND CASH EQUIVALENTS 113,154

ENDING CASH AND CASH EQUIVALENTS 130,466

See accompanying notes.

NAMI LOUISIANA, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Organization

The NAMI Louisiana, Inc. (Organization) is a Louisiana voluntary health non-profit corporation, incorporated on September 18, 1984, formerly as Louisiana Alliance for the Mentally Ill. The purpose of the Organization 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 major programs include statewide support to family education and support facilitators. This is accomplished by providing educational courses, which present the Journey of Hope program.

Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis. The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Currently the Organization has no temporarily or permanently restricted net assets.

Revenue Recognition

Contributions and grants received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions.

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions and grants are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. Contributions and grants received with donor-imposed restrictions that are met in the same year in which the contributions or grants are received are classified as unrestricted contributions and grants.

The Organization uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. There were no allowances for uncollectible because the receivables consist of grants and contracts receivable.

NAMI LOUISIANA, INC.
NOTES TO FINANCIAL STATEMENTS

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Prepaid

Immaterial insurance and similar services which extend benefit over more than one accounting period have been expensed.

Property and Equipment

It is the Organization's policy to capitalize property and equipment over \$1,000. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property and equipment are depreciated using the straight-line method.

Income Tax Status

The Organization is exempt from Federal Income Taxes under Section 501 (c) (3) of the Internal Revenue Code. In addition, the Organization has been classified as an entity that is not a private foundation within the meaning of Section 509 (a) and qualifies for deductible contributions as provided in Section 170(b)(1)(A)(vi). Accordingly, no provision has been made for income taxes in the financial statements.

Use of Estimates

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

FUNCTIONAL ALLOCATION OF EXPENSES

The cost of providing the various program and activities has been summarized on a functional basis in the statement of activities. Accordingly, certain cost have been allocated amount the programs and supporting services benefited.

NAMI LOUISIANA, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 2 - CONCENTRATION OF CREDIT RISK FOR CASH HELD IN BANK

The Organization maintains two bank accounts at one financial institution. The Organization's book balance as of June 30, 2010 was \$130,466. Cash in this institution was maintained in a demand and savings accounts. The \$120,755 bank balances were insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000.

NOTE 3 - INVESTMENTS

At June 30, 2010, the Organization's investments were as follows:

<u>Equities</u>	<u>Market</u>	<u>Cost</u>	<u>Unrealized Gain</u>
172 Shares Wal Mart	\$8,268	\$92	\$8,176

The following schedule summarizes the Organizations investment return for the fiscal year:

Interest and Dividends	\$233
Net Unrealized Gains on investments	<u>69</u>
Total investment return	<u>302</u>

NOTE 4 - RECEIVABLES

The Organization's grants receivable at year end consist of the following:

State of Louisiana-Office of Behavioral Health	\$44,341
LPHI	9,500
Memberships	<u>630</u>
Total	<u>54,471</u>

Receivables are written-off under the direct write-off method whereby bad debts are recorded when a receivable is deemed uncollectible. If they are subsequently collected they are recorded as miscellaneous income. The direct charge off method is not a material departure from GAAP as it approximates the valuation method.

NAMI LOUISIANA, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 5 - FIXED ASSETS

A summary of fixed assets follows:

Equipment Cost	\$21,559
Accumulated Depreciation	<u>(19,939)</u>
Book Value	<u>1,620</u>

NOTE 6 - RELEASE OBLIGATIONS

The Organization leases its office facility under a one year operating lease that began on March 1, 2010, and ends on February 28, 2011, for \$495 per month. Rental expense for the fiscal year ended June 30, 2010, was \$8,875.

The minimum future lease payments for the year ending June 30, 2011 will be \$990.

NOTE 7 - NET ASSETS

Temporarily Restricted Net Assets

NAMI Louisiana, Inc. is the one third beneficiary of the Anderson Remainder Trusts. Payments to the Organization will be made upon the death of the income recipients. JP Morgan of Baton Rouge, Louisiana, has been named the trustee. The estimated value at June 30, 2010, of the Organization is recognized as Temporarily Restricted for the purposes of these financial statements.

Assets Held in Charitable Remainder Uni-Trust:	
Molly Anderson CRUT	\$156,405
Shelby Anderson CRUT	<u>162,738</u>
Total Assets Held in CRUTs	<u>319,143</u>
Liabilities Under Trust Agreement:	
Molly Anderson	57,554
Shelby Anderson	<u>68,991</u>
Total Liabilities Under Trust Agreement	<u>126,545</u>
Temporarily Restricted Net Assets	<u>192,598</u>

NAMI LOUISIANA, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 7 – NET ASSETS (Continued)

Permanently Restricted Net Assets:

The Board of Directors of NAMI Louisiana, Inc. has established the Legacy of Hope at Wells Fargo Advantage Funds and has restricted any expenditure for the Legacy of Hope funds until it reaches a balance of \$100,000, and then only investment earnings are to be expended.

NOTE 8 – CONCENTRATIONS

The Organization receives 68% of its revenue from state government grants.

NOTE 9 – ECONOMIC DEPENDENCY

The Organization receives the majority of its funds provided through government grants and contracts. If significant budget cuts are made at the federal/state level the amount of funds the Organization receives could be reduced significantly and have an impact on its operations. Management is aware of budget cuts and is making the necessary reductions in expenses and exploring additional funding sources that hopefully not adversely affect the amount of funds the Organization will receive in the next fiscal year.

NOTE 10 - RISK MANAGEMENT

The Organization is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Organization has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. No claims were made during the year.

NAMI LOUISIANA, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 11 - CONTINGENCIES

The Organization receives a portion of its revenues from governmental grants and contracts, all of which are subject to audit by the governments. The ultimate determination of amounts received under these programs generally is based upon allowable cost reported to and are subject to audit by the government. Until such audits, if any, there exists a contingency to refund any amount received in excess of allowable cost. Management is of the opinion that no material liability will result from such audits.

NOTE 12 - SUBSEQUENT EVENTS

The Organization did not have any subsequent events through December 31, 2010, which is the date the financial statements were available to be issued for events requiring recording or disclosure in the financial statements for the year ended June 30, 2010.

SUPPLEMENTAL INFORMATION

Certified Public Accountant



Donald C. DeVille

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

December 13, 2010

Members of the Board of Director
NAMI Louisiana, Inc.
Baton Rouge, Louisiana

I have audited the financial statements of the NAMI Louisiana, Inc. as of and for the year ended June 30, 2010, and have issued my report thereon dated December 13, 2010. I conducted my 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.

Internal Control over Financial Reporting

In planning and performing my audit, I considered NAMI Louisiana, Inc.'s internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

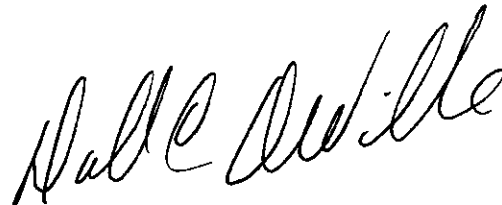
A deficiency in internal control exist when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatement on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiency in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether NAMI Louisiana, Inc.'s financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my test disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended for the information of the management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statutes 24:513, this report is distributed by the Legislative Auditor as a public document and distribution is not limited.

A handwritten signature in black ink, appearing to read "Matt C. Duville". The signature is written in a cursive, flowing style.

NAMI LOUISIANA, INC.
SCHEDULE OF PRIOR YEAR'S FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010

<u>Re</u> <u>No.</u>	<u>Fiscal Year</u> <u>Finding</u> <u>Initially</u> <u>Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u> <u>(Yes, No, Partially)</u>	<u>Corrective</u> <u>Action</u> <u>Taken</u>
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None

NAMI LOUISIANA, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COST
FOR THE YEAR ENDED JUNE 30, 2010

A. Summary of Auditor's Result

Financial Statements

Type of auditor's report issued: Unqualified

- **No material weaknesses identified.**
- **No significant deficiencies identified that are not considered to a material weakness.**

No noncompliance material to financial statements noted.

Federal Awards: Not Applicable

B. Findings – Financial Statement Audit

None

NAMI LOUISIANA, INC.
BATON ROUGE, LOUISIANA
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2010

Not Applicable