

ITEM #: 36  
DATE: 11-18-25  
DEPT: ADMIN

**COUNCIL ACTION FORM**

**SUBJECT: FY 2025/26 ASSET CONTRACT WITH NAMI CENTRAL IOWA**

**BACKGROUND:**

The City currently has an FY 2025/26 Analysis of Social Services Evaluation Team (ASSET) Contract with NAMI Central Iowa (see attachments A1 and A2) in the amount of \$27,550. Two other ASSET Funders - United Way of Story County and ISU Student Government - have additional contracts for FY 2025/26 with NAMI for a total \$36,792. Story County does not fund mental health services through ASSET.

**ASSET policies require agencies with an annual budget of \$250,000 or more to undergo a financial audit and provide it to the ASSET Funders. NAMI's annual budget exceeds this \$250,000 threshold and therefore is subject to this requirement.**

Section XI. D of the [ASSET Policies and Procedures](#), adopted by all ASSET Funders, states:

D. Agencies with an annual budget of \$250,000 or more must submit an electronic copy of their full comparative audit and an electronic copy of their IRS Form 990 to the ASSET Administrative Assistant.

Additionally, Division IV 8b of the [ASSET Reference Manual](#) states:

b. Agencies with an annual budget of \$250,000 or more must submit an electronic copy of their full comparative audit, IRS Form 990, and a balance sheet prepared externally and independently. (ABF-6)"

**Over the last two years, ASSET funder staff have repeatedly communicated to NAMI that an independent financial audit is required and that it has not been received for the last few years. ASSET has not received NAMI's audits for FY 2022/23 or 2023/24, and a 2024/25 audit will be due by December 2025.**

All other ASSET agencies that are required to furnish an audit have submitted it as necessary.

City staff is concerned that a significant amount of time has passed, and no audit has been produced despite being assured by NAMI that it is being worked on. A recent email exchange with NAMI is attached (see Attachment B). In August 2025, United Way of Story County Board decided to pause its ASSET agreement with NAMI until an audit is received.

**City staff is requesting that the City sequester NAMI's funds until the necessary audits, or at minimum the most recent audit, is received and reviewed.**

**ALTERNATIVES:**

1. Approve sequestering the remaining balance to NAMI for FY 2025/26 until an audit is received.
2. Allow reimbursement claims for NAMI to be processed for FY 2025/26 without an audit.
3. Refer to back to staff.

**CITY MANAGER'S RECOMMENDED ACTION:**

ASSET agencies are obligated to produce an audit if their annual budget is \$250,000 or more. The information provided in the audit allows ASSET Funders the opportunity to perform their due diligence to assess that an agency receiving financial support is being fiscally responsible.

**All active ASSET agencies that are required to produce an audit have done so, except NAMI. Staff has provided ample time for NAMI to provide past audits. However, they are all still outstanding.** Therefore, it is the recommendation of the City Manager that the City Council approve Alternative No. 1 above.

**ATTACHMENT(S):**

[Attachment A1: FY 2025/26 ASSET Agreement - NAMI.pdf](#)

[Attachment A2: FY 2025/26 ASSET Agreement NAMI - First Amendment.pdf](#)

[Attachment B: Email with NAMI.pdf](#)