

**Louisiana Veterans Museum Foundation
Baton Rouge, Louisiana
December 31, 2023**

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Independent Accountant's Review Report

To the Board of Directors
Louisiana Veterans Museum Foundation
Baton Rouge, Louisiana

We have reviewed the accompanying financial statements of Louisiana Veterans Museum Foundation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year the ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants, and the standards applicable to review engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

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

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

The accompanying schedule of compensation, benefits, and other payments to agency head is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the supplementary information and do not express an opinion on such information.

Report on Agreed-Upon Procedures

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued our report dated December 5, 2024, on the performance of agreed-upon procedures on compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire.

Hawthorn, Weymouth & Carroll, L.L.P.

December 5, 2024

Louisiana Veterans Museum Foundation
Statement of Financial Position
December 31, 2023
(See Independent Accountant's Review Report)

Assets

Assets	
Cash	\$ <u>326,548</u>
Total assets	\$ <u><u>326,548</u></u>

Liabilities and Net Assets

Liabilities	
Accounts payable	\$ 21,353
Net Assets	
Without donor restrictions	<u>305,195</u>
Total liabilities and net assets	\$ <u><u>326,548</u></u>

The accompanying notes are an integral part of these financial statements.

Louisiana Veterans Museum Foundation
Statement of Activities
Year Ended December 31, 2023
(See Independent Accountant's Review Report)

	<u>Without Donor Restrictions</u>
Revenue and Other Support	
State Act 170 and Act 397 funding	\$ 350,000
Special events	17,500
Contributions	210
Other	<u>59</u>
Total revenue and other support	<u>367,769</u>
Expenses	
Program	126,705
Management and general	2,610
Fundraising	<u>13,812</u>
Total expenses	<u>143,127</u>
Change in Net Assets	224,642
Net Assets, beginning of year	<u>80,553</u>
Net Assets, end of year	<u><u>\$ 305,195</u></u>

The accompanying notes are an integral part of these financial statements.

Louisiana Veterans Museum Foundation
Statement of Functional Expenses
Year Ended December 31, 2023
(See Independent Accountant's Review Report)

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Grants and other assistance	\$ 84,299	\$ -	\$ -	\$ 84,299
Professional fees	21,353	250	-	21,603
Supplies	19,553	-	-	19,553
Contract services	-	-	1,720	1,720
Office	-	2,325	2,691	5,016
Licenses and fees	-	35	-	35
Donations	1,500	-	-	1,500
Insurance	-	-	831	831
Catering	-	-	8,190	8,190
Parking and transportation	-	-	380	380
	<u>\$ 126,705</u>	<u>\$ 2,610</u>	<u>\$ 13,812</u>	<u>\$ 143,127</u>
Total expenses				

The accompanying notes are an integral part of these financial statements.

Louisiana Veterans Museum Foundation
Statement of Cash Flows
Year Ended December 31, 2023
(See Independent Accountant's Review Report)

Cash Flows from Operating Activities	
Change in net assets without donor restrictions	\$ 224,642
Adjustments to reconcile change in net assets without donor restrictions to net cash provided by operating activities:	
Increase in liabilities:	
Accounts payable	<u>21,353</u>
Net cash provided by operating activities	<u>245,995</u>
Net Increase in Cash	245,995
Cash, beginning of year	<u>80,553</u>
Cash, end of year	<u><u>\$ 326,548</u></u>

The accompanying notes are an integral part of these financial statements.

Louisiana Veterans Museum Foundation
Notes to Financial Statements
December 31, 2023

Note 1–Nature of Organization

Louisiana Veterans Museum Foundation (LVMF) is a non-profit corporation that supports the operations and programs of the USS Kidd Veterans Museum and ship restoration through state grants and fundraising.

Note 2–Summary of Significant Accounting Policies

A. Basis of Accounting and Financial Statement Presentation

The financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Net assets, revenue, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of LVMF and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions: Net assets not subject to donor-imposed stipulations.

Net Assets With Donor Restrictions: Net assets subject to donor-imposed stipulations that (a) restrict their use to a specific purpose, which will be satisfied by actions of LVMF or the passage of time; or (b) require that they be maintained in perpetuity by LVMF; generally, the donor of these assets permits LVMF to use all or part of the income earned, including capital appreciation, or related investments for purposes with or without donor restrictions. At December 31, 2023, LVMF had no net assets with donor restrictions.

B. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

C. Cash and Cash Equivalents

For purposes of the statement of cash flows, LVMF considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. LVMF had no cash equivalents as of December 31, 2023.

D. Accounts Receivable

Accounts receivable are presented at face value, net of allowance for credit losses. LVMF maintains an allowance that reflects an estimate of the expected credit losses. LVMF's allowance is estimated using a loss rate model based on aging and delinquency. The estimated loss rate is based on LVMF's historical experience with collections, an understanding of the current economic conditions and LVMF's own judgments as to the likelihood of ultimate payment based upon available data. The actual rate of future credit losses, however, may not be similar to past experience. The estimate of credit losses could change based on changing circumstances, including changes in the economy. Accordingly, LVMF may be required to increase or decrease its allowance. As of December 31, 2023, LVMF had no outstanding accounts receivable.

Louisiana Veterans Museum Foundation
Notes to Financial Statements
December 31, 2023

Note 2—Summary of Significant Accounting Policies (Continued)

E. Income Taxes

LVMF is a nonprofit organization exempt from income taxes under provisions of the Internal Revenue Code Section 501(c)(3); therefore, no provision has been made for income taxes.

Management has determined that there are no uncertain tax positions that would require recognition in the financial statements. If LVMF were to incur an income tax liability in the future, interest on any income tax liability would be reported as interest expense, and penalties on any income tax would be reported as income taxes. Management's conclusions regarding uncertain tax positions may be subject to review and adjustment at a later date based on ongoing analysis of tax laws, regulations, and interpretations thereof, as well as other factors.

F. Revenue Recognition

LVMF receives grant funding from the State of Louisiana (Department of Treasury) to provide support to the repair and restoration of the USS Kidd DD-661, a WWII Era, US Navy Fletcher Class Destroyer, and a National Historic Landmark, on display in Baton Rouge, LA. Half of the grant is received up front, and the remaining amount is received contingent upon the filing of reimbursement requests with the State. LVMF bifurcates the grant, recognizing the advanced funds as an unconditional contribution in the period the grant was executed. The remaining portion of the grant is a nonreciprocal transaction and includes conditions stipulated by the grantor agency and is, therefore, accounted for as a conditional contribution. Public support is recognized as conditions are satisfied, primarily as expenses are incurred.

G. Contributions

LVMF reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from donor restrictions.

H. Liquidity Management

As of December 31, 2023, cash of \$326,548 was the only financial asset that could be made readily available within one year of the date of the statement of financial position to meet general expenditures. As part of its liquidity management, LVMF has a policy to structure its financial assets to be available as general expenditures and obligations become due.

I. Functional Expenses

Directly identifiable expenses are charged to each functional classification, as applicable. Expenses related to more than one function are based on time spent or usage. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and operation of LVMF.

Louisiana Veterans Museum Foundation
Notes to Financial Statements
December 31, 2023

Note 2—Summary of Significant Accounting Policies (Continued)

J. Recently Adopted Accounting Standards

LVMF implemented FASB ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. The revised accounting guidance significantly changes how entities measure credit losses for most financial assets and certain other instruments that are not measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under this standard, disclosures are required to provide users of the financial statements with useful information in analyzing the entity's exposure to credit risk and the measurement of credit losses. LVMF adopted the standard effective January 1, 2023. There was no impact to the financial statements as a result of the adoption of this standard.

Note 3—Concentrations

From time to time, the cash balance maintained in a certain financial institution may exceed the \$250,000 deposit insurance coverage by the FDIC. Management monitors the financial condition of the institution on a regular basis, along with their balances in cash, to minimize this potential risk.

Approximately 95% of LVMF's revenue for the year ended December 31, 2023 was from grants administered by the State of Louisiana. The grant amount is appropriated each year by the state government. If significant budget cuts are made at the federal and/or state level, the amount of funds received by LVMF could be reduced significantly by an amount that could adversely impact its operations. Management is not aware of any actions that will adversely affect the amount of grants the organization will receive in the next fiscal year.

Note 4—Contingencies

LVMF participates in state grant programs, which are governed by various rules and regulations. Costs charged to the grant program are subject to audit and adjustment by the grantor agency; therefore, to the extent that LVMF has not complied with the rules and regulations governing the grants, refunds of any money received and the collectability of any related receivable at year end may be impaired. In management's opinion, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies. Any costs disallowed would be recognized in the period agreed upon by the grantor agency and LVMF.

Note 5—Subsequent Events

LVMF evaluated all subsequent events through December 5, 2024, the date the financial statements were available to be issued. As a result, LVMF noted no subsequent events that required adjustment to, or disclosure in, these financial statements.

Supplementary Information

**Louisiana Veterans Museum Foundation
Schedule of Compensation, Benefits, and
Other Payments to Agency Head
Year Ended December 31, 2023**
(See Independent Accountant's Review Report)

Agency Head: Ms. Carolyn Castel, Chairman

Purpose	Amount
Salary	\$ -
Benefits-insurance	-
Benefits-retirement	-
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements	-
Travel	-
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-
	<hr/>
Total compensation	<u>\$ -</u>

No amounts were paid to Ms. Castel from public funds.

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

_____ (Date Transmitted)

Hawthorn, Waymouth & Carroll, L.L.P. _____ (CPA Firm Name)

8545 United Plaza Blvd, Ste 200 _____ (CPA Firm Address)

Baton Rouge, LA 70809 _____ (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2023 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Federal, State, and Local Awards

We have detailed for you the amount of federal, state, and local award expenditures for the fiscal year, by grant and grant year.

Yes No [] N/A []

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and local grantor officials.

Yes No [] N/A []

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

Yes No [] N/A []

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes No [] N/A []

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law). **Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meeting FAQs," available on the Legislative Auditor's website to determine whether a non-profit agency is subject to the open meetings law.**

Yes No [] N/A *M.C.C.*

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes No [] N/A []

Reporting

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

Yes No [] N/A []

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes [] No [] N/A []

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes [] No [] N/A []

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

Yes [] No [] N/A []

Prior-Year Comments

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

Yes [] No [] N/A []

General

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

Yes [] No [] N/A []

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

_____ Secretary _____ Date

_____ Treasurer _____ Date

Carolyn G. Castel _____ President *9/30/2024* _____ Date

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

Trustee

Jay Little

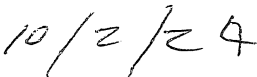
Date

10/2/24

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



Co-Chairmen



Date



Independent Accountant's Report on Applying Agreed-Upon Procedures

Louisiana Veterans Museum Foundation and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on Louisiana Veterans Museum Foundation's (LVMF) compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2023, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. LVMF's management is responsible for its financial records and compliance with applicable laws and regulations.

LVMF 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 LVMF's compliance with the laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the year ended December 31, 2023. Additionally, the Louisiana Legislative Auditor has agreed to and acknowledged that the procedures performed are appropriate for its purposes. The report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Federal, State, and Local Awards

1. Obtain the list of federal, state, and local government grant award expenditures for the fiscal year, by grant and grant year, from the Agency's management.

Management provided us with the requested information.

2. For each federal, state, and local grant award, randomly select six disbursements from each grant administered during the fiscal year.

We selected six disbursements from each grant administered during the fiscal year.

3. Obtain documentation for the disbursements selected in Procedure 2. Compare the selected disbursements to supporting documentation and report whether the disbursements agree to the amount and payee in the supporting documentation.

No exceptions noted.

4. Report whether the selected disbursements were coded to the correct fund and general ledger account.

No exceptions noted.

5. Report whether the selected disbursements were approved in accordance with the Agency's policies and procedures.

No exceptions noted.

6. For each selected disbursement made for federal grant awards, obtain the *Compliance Supplement* for the applicable federal program. For each disbursement made for a state or local grant award, or for a federal program not included in the *Compliance Supplement*, obtain the grant agreement. Compare the documentation for each disbursement to the program compliance requirements or the requirements of the grant agreement relating to activities allowed or unallowed, eligibility, and reporting; and report whether the disbursements comply with these requirements.

No exceptions noted. LVMF did not have any Federal awards.

7. Obtain the close-out reports for any program selected in Procedure 2 that was closed out during the fiscal year. Compare the close-out reports with the Agency's financial records; and report whether the amounts in the close-out reports agree with the Agency's financial records.

No exceptions noted.

Open Meetings

8. Obtain evidence from management that agendas for meetings recorded in the minute book were posted as required by Louisiana Revised Statute 42:11 through 42:28 (the open meetings law), and report whether there were any exceptions.

Determined LVMF is not subject to the open meetings law.

Budget

9. For each grant exceeding \$5,000, obtain the comprehensive grant budgets that the Agency provided to the applicable federal, state, or local grantor agency. Report whether the budgets for federal, state, or local grants included the purpose and duration of the grants; and whether the budgets for state grants also included specific goals, objectives, and measures of performance.

No exceptions noted.

State Audit Law

10. Report whether the Agency provided for a timely report in accordance with R.S. 24:513.

LVMF's report was not submitted to the Louisiana Legislative Auditor before the statutory due date of June 30, 2024.

11. Inquire of management and report whether the Agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the Agency was not in compliance with R.S. 24:513 (the audit law).

Determined LVMF is not subject to the public bid law.

Prior-Year Comments

12. Noted no prior year suggestions, recommendations, and/or comments for the year ended December 31, 2022.

We were engaged by LVMF to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on LVMF's compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of LVMF and to meet our 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 LVMF's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Hawthorn, Wymouth & Carroll, L.L.P.

December 5, 2024

**Louisiana Veterans Museum Foundation
Schedule of Findings and Responses
Year Ended December 31, 2023**

Compliance Finding

2023-001: Late Filing with Louisiana Legislative Auditor

Criteria: Louisiana Revised Statute 24:513 requires Louisiana Veterans Museum Foundation to submit its annual financial statement to the Louisiana Legislative Auditor within six months of the close of the fiscal year.

Condition: Louisiana Veterans Museum Foundation did not file its annual financial statement with the Louisiana Legislative Auditor within six months of the close of the fiscal year.

Cause: Louisiana Veterans Museum Foundation does not have procedures in place to ensure timely reporting to the Louisiana Legislative Auditor.

Effect: Louisiana Veterans Museum Foundation is not in compliance with LA R.S. 24:513.

Recommendation: The financial records should be closed and submitted to the independent CPA in a timely manner to ensure filing with the Louisiana Legislative Auditor within six months following year-end.

Views of Responsible Official: We will ensure our financial records are closed and submitted to the independent CPA in a timely manner to ensure filing the annual financial statement with the Louisiana Legislative Auditor within six months of the close of the fiscal year.