Luther Speight & Company, LLC
Certified Public Accountants and Consultants

NOLA BUSINESS ALLIANCE, INC.
(A Nonprofit Organization)

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2021 AND 2020

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Luther Speight & Company, LLC
Certified Public Accountants and Consultants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
NOLA Business Alliance, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of NOLA Business Alliance, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021 and December 31, 2020 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 NOLA Business Alliance, Inc. (the Organization) as of December 31, 2021 and December 31, 2020, 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 NOLA Business Alliance 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 NOLA Business Alliance' 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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Auditor's 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 auditor's 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 NOLA Business Alliance'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 NOLA Business Alliance'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 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 financial statements. The accompanying schedule of compensation, benefits and payments to agency head is presented for purposes of additional analysis and is not a required part of the financial statements.

Continued,

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 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 to 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 is 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 June 13, 2022 on our consideration of the NOLA Business Alliance'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 the effectiveness of the NOLA Business Alliance's 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 NOLA Business Alliance's internal control over financial reporting and compliance.

Luther Speight & Co

Luther Speight & Company CPAs

New Orleans, Louisiana

June 13, 2022

NOLA BUSINESS ALLIANCE, INC.
NEW ORLEANS, LOUISIANA

STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2021 AND 2020

	2021	2020
ASSETS		
Cash and Cash Equivalents	$ 5,922,945	$ 4,053,662
Grants Receivable	506,701	-
Pledges Receivable	-	20,000
Other Receivables	12,853	9,253
Prepaid Expenses	17,314	26,977
Deposits	20,034	20,034
Fixed Assets, net	75,539	190,139
Total Assets	$ 6,555,386	$ 4,320,065
LIABILITIES & NET ASSETS		
Liabilities		
Accounts Payable	$ 33,554	$ 48,405
Fringe Benefit Liabilities	174,693	223,857
Line of Credit	300,000	-
PPP Loan	536,940	623,200
Total Liabilities	1,045,187	895,462
Net Assets		
Without Donor Restrictions	5,510,199	3,424,603
Total Net Assets	5,510,199	3,424,603
TOTAL LIABILITIES & NET ASSETS	$ 6,555,386	$ 4,320,065

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

NOLA BUSINESS ALLIANCE, INC.
NEW ORLEANS, LOUISIANA

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND OTHER SUPPORT						
Grant Revenue	$ 6,364,401	$ -	$ 6,364,401	$ 6,732,804	$ -	$ 6,732,804
Private Contributions	43,713	-	43,713	783,985	-	783,985
Interest Income	4,133	-	4,133	15,724	-	15,724
Miscellaneous Revenue	686,503	-	686,503	89,950	-	89,950
Releases from Restrictions	-	-	-	4,675	(4,675)	-
Total Revenues and Other Support	7,098,750	-	7,098,750	7,627,138	(4,675)	7,622,463
EXPENSES						
Program Services	3,673,545	-	3,673,545	6,802,698	-	6,178,406
Management and General	962,335	-	962,335	943,789	-	788,016
Fundraising	361,485	-	361,485	626,419	-	637,385
Total Expenses	4,997,365	-	4,997,365	8,372,906	-	8,372,906
Change in Net Assets	2,101,385	-	2,101,385	(745,768)	(4,675)	(750,443)
Net assets, beginning of year	3,424,603	-	3,424,603	4,170,371	4,675	4,175,046
Net assset adjustments	(15,789)	-	(15,789)		-	
Net assets, end of year	$ 5,510,199	$ -	$ 5,510,199	$ 3,424,603	$ -	$ 3,424,603

The accompanying notes are an integral part of these financial statements

NOLA BUSINESS ALLIANCE, INC.
NEW ORLEANS, LOUISIANA

STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMEBER 31, 2021 AND 2020

	Program Service	Management and General	Fundraising	2021 Total	2020 Total
Salaries and Wages	$ 1,441,766	$ 291,363	$ 245,964	$ 1,979,093	$ 2,884,485
Advertising	-	-	-	-	850
Conference & meeting expense	48,233	8,998	3,090	60,321	84,933
Database & research expense	195,055	7,009	669	202,733	86,936
Depreciation	30,798	12,752	5,017	48,567	40,185
Insurance	19,305	7,994	3,145	30,444	38,533
Marketing expense	233,190	49,187	19,355	301,732	333,005
Membership dues	7,957	13,964	943	22,864	24,776
Miscellaneous Expense	503	18,404	-	18,907	15,401
Office Expense	-	1,005		1,005	1,138
Office Supplies	8,285	3,110	1,224	12,619	117,848
Printing & reproduction	15,329	497	196	16,022	11,131
Professional services and fees	617,179	133,616	28,312	779,107	2,107,148
Rent & parking	142,402	58,961	23,202	224,565	249,444
Repairs & maintenance	5,577	2,308	909	8,794	2,993
Staff development	4,131	6,624	-	10,755	11,743
Sub-recipient expense	839,327	316,577	23,050	1,178,954	2,276,344
Subscriptions	13,497	14,041	630	28,168	15,449
Telephone & telecommunications	34,999	11,821	4,655	51,475	53,986
Travel Expenses	13,859	2,910	1,050	17,819	16,578
Postage & Delivery	2,153	108	74	2,335	-
Corporation Expenses	-	1,086	-	1,086	-
	$ 3,673,545	$ 962,335	$ 361,485	$ 4,997,365	$ 8,372,906

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

NOLA BUSINESS ALLIANCE, INC.
NEW ORLEANS, LOUISIANA

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$ 2,101,385	$ (750,443)
Net Asset Adjustments	(15,789)	-
Fixed Asset Adjustments	77,696	-
Adjustments to reconcile net income to net cash:		
Depreciation Expense	48,567	40,185
Loss on Disposal of Fixed Assets	(10,157)	-
Changes in assets and liabilities		
(Increase)/Decrease in Receivables	(490,301)	1,591,128
Decrease in Prepaid Expenses	9,663	3,847
Decrease in Other Current Assets	-	6,785
Decrease in Accounts Payable	(14,851)	(488,886)
Increase/(Decrease) in Payroll Liability	(49,164)	42,577
Net Cash Provided by Operating Activities	1,657,049	445,193
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property and Equipment	(1,506)	(43,404)
Net Cash Used by Investing Activities	(1,506)	(43,404)
CASH FLOWS FROM FINANCING ACTIVITIES		
Borrowings of LOC, Net	300,000	-
Proceeds from PPP Loan	(86,260)	623,200
Net Cash Provided by Investing Activities	213,740	623,200
Net Change in Cash and Cash Equivalents	1,869,283	1,024,989
Cash and Cash Equivalents - Beginning of Period	4,053,662	3,028,673
Cash and Cash Equivalents - End of Period	$ 5,922,945	$ 4,053,662

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

NOLA BUSINESS ALLIANCE, INC.
NEW ORLEANS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 and 2020

1. Nature of Activities

NOLA Business Alliance, Inc. (NOLABA, or the Organization) is a 501(c)(3) exempt organization. NOLABA was incorporated in the State of Louisiana in 2010 and is the official non-profit organization tasked with leading the economic development initiative for the City of New Orleans. Operations of the Organization began in fiscal year 2011.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Accordingly, revenues are recognized when earned and expenses are recorded when incurred. Contributions are recognized when received or unconditionally promised. In-kind donations are recognized at their fair market value when received.

Basis of presentation

In accordance with the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) as set forth in FASB ASC 958, which established standards for external financial reporting by not-for-profit organizations, the organization classifies resources for accounting and reporting purposes into two net asset categories which are with donor restrictions and without donor restrictions. A description of these two net asset categories is as follows:

- Net assets without donor restrictions include funds not subject to donor-imposed stipulations. The revenues received and expenses incurred in conducting the mission of the Organization are included in this category. The Organization has determined that any donor-imposed restrictions for current or developing programs and activities are generally met within the operating cycle of the Organization and therefore, their policy is to record those net assets as unrestricted.
- Net assets with donor restrictions include funds that are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

2. Summary of Significant Accounting Policies (continued)

At December 31, 2021, the Organization did not have any net assets with donor restrictions.

Use of estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income taxes

The Organization is a non-profit corporation that is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and qualifies as an organization that is not a private foundation as defined in Section 509 (a) of the Code. It is exempt from Louisiana income tax under the Section 121(5) of Title 47 of the Louisiana Revised Statues. The Organization paid no federal income tax for the years ended December 31, 2021and 2020.

The Organization's tax returns for the years ended 2020, 2019, and 2018 remain open and subject to examination by taxing authorities. The organization's 2021 tax return has not yet been filed as of the report date.

Cash and cash equivalents

For the purposes of reporting cash flows, cash consists of cash and cash equivalents. The Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Grants receivable

The total amounts of grants receivable as of December 31, 2021 and 2020 were $506,701 and $0 respectively. The full grants receivable balance was collected during 2022. No allowance for doubtful accounts is recorded related to this receivable.

2. Summary of Significant Accounting Policies (continued)

Property and equipment

All acquisitions of property and equipment in excess of $500 and all expenditures for repairs, maintenance, renewals and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are recorded at cost when purchased. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are capitalized and depreciated over the shorter of the life of the asset or the life of the lease. When items of equipment are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gain or loss included in the statement of activities.

Impairment of long-lived assets is tested whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized only if the carrying amount is not recoverable and exceeds its fair value. There were no impairments recognized during 2021 or 2020.

Revenue Recognition

Contributions, including promises to give, are considered conditional or unconditional, depending on the nature and existence of any donor or grantor conditions.

A contribution or promise to give contains a donor or grantor condition when both of the following are present:

- An explicit identifying of a barrier, that is more than trivial, that must be overcome before the revenue can be earned and recognized.
- An implicit right of return of assets transferred or a right of release of a donor or grantor's obligation to transfer assets promised, if the condition is not met.

Unconditional contributions, or conditional contributions in which the conditions have been substantially met or explicitly waived by the donor, are recorded as revenue with or without donor restrictions, depending on the existence and nature of any donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Conditional contributions are recognized when the barriers to entitlement are overcome and the promises become unconditional. Unconditional contributions are recognized as revenue when received. Grants are either recorded as contributions or exchange transactions based on criteria contained in the grant award.

2. Summary of Significant Accounting Policies (continued)

Revenue Recognition (Continued)
Exchange transactions are reimbursed based on a predetermined rate for services performed. The revenue is recognized in the period the service is performed.

In-kind contributions
In-kind contributions are recognized if the services create or enhance nonfinancial assets or require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. There were no in-kind contributions made during the year ended December 31, 2021 and 2020.

Promises to give
Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when conditions on which they depend on are substantially met and the promises become unconditional.

The Organization did not record direct write-offs of outstanding pledges receivable during the 2021 or 2020 year due to the effects of the Pandemic. However, Promises to give should be expected to be collected in future years and recorded at the present value of estimated future cash flows. Therefore, a discount on pledges receivable not being recorded has no bearing due to the state of uncontrollable nationwide circumstances. All promises to give were received during the current year ended December 31, 2021. These current year pledges totaled $43,650. In addition, promises to give that were pledged for the prior year, totaling $20,000 were received during the current period. Accordingly, there were no pledges receivable as of December 31, 2021.

Functional expenses
Generally, expenses are charged to each program or function based on direct expenditures incurred. Expenditures not directly chargeable are allocated to programs or functions based on the estimated percentage of time spent by the organization's employees or the space utilized.

NOLA BUSINESS ALLIANCE, INC.
NEW ORLEANS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 and 2020

Note 3: Liquidity and Availability of Financial Assets

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Account	2021	2020
Cash and Cash Equivalents	$ 5,922,945	$ 4,053,662
Other Receivables	12,853	9,253
Grants Receivable	506,701	-
Pledges Receivable	-	20,000
	$ 6,442,499	$ 4,082,915

Note 4: Property and Equipment

The Organization records fixed assets based upon historical cost. Donated capital assets are recorded at fair value as of the date of donation. The Organization's policy is to capitalize all purchases of property and equipment with a cost exceeding $500 and having a useful life of more than one year. Depreciation is computed and recorded using the straight-line method using the following useful lives:

Furniture & Fixtures	7 years
Office Equipment	3 – 5 years
Leasehold Improvements	7 years

Property and equipment consisted of the following at December 31, 2021 and 2020:

Asset Category	2021	2020
Furniture & Fixtures	$ 111,522	$ 130,641
Office Equipment	86,127	281,123
Leasehold Improvements	9,936	31,307
Subtotal	207,585	443,071
Accumulated Depreciation	(132,046)	(252,932)
Net Property and Equipment	$ 75,539	$ 190,139

Note 4: Property and Equipment (Continued)

Depreciation expense for fiscal year ended December 31, 2021 and December 31, 2020 was $48,567 and $40,185, respectively.

Note 5: Commitments and Contingencies

Lease Commitments

The Organization leases office space and made a security deposit payment in the amount of $20,034, which is recorded in the Deposits account in the Statement of Financial Position as of December 31, 2021 and 2020. The office space lease is for 132 months (11 years). The base rent increases after 12 months, 18 months, 30 months, and 66 months. During the year ended December 31, 2020, the Organization was able to defer 25% of the monthly payments from October 1, 2020 through December 31, 2020 to 2022. Future obligations under the operating lease agreement is as follows at December 31, 2020:

Year	Amount
2022	$ 332,886
2023	253,950
2024	260,722
2025	260,722
2026	260,722
Thereafter	842,267
Total	$ 2,211,269

Rent expense for the year ended December 31, 2021 and 2020 was $224,565 and $249,444 respectively.

Note 6: Financial Instruments and Concentration of Credit Risk

The Organization maintains cash balances at two financial institutions in New Orleans, Louisiana. The balances are insured by the Federal Deposit Insurance Corporation up to $250,000 at each institution. Cash balances exceeding the FDIC limit are substantially collateralized by the financial institution's pledged securities. The Organization's cash balances were not in excess of FDIC insurance and pledged collateral at December 31, 2021 and 2020.

Note 7: Cooperative Endeavor Agreements

The Organization and the City of New Orleans have entered into several cooperative endeavor agreements (CEA) during recent years in which they received payments during the years ended December 31, 2021 and 2020. The details of the agreements are as follows:

- In 2017, the Organization and the City of New Orleans – Workforce Development Board entered into a cooperative endeavor agreement. The CEA provides for the City to fund $2,500,000 per year for a term of three years to the Organization in return for a multitude of Business/Industry Growth services and Workforce Development services. The Organization agrees to raise a minimum of $1,000,000 annually through fundraising activities. However, the Organization did not meet the required threshold and reported fundraising totals of $628,950. During the year ended December 31, 2020, the Organization recognized $2,500,000 in revenue from this agreement.

- In 2021 NOLA Business Alliance and the City of New Orleans executed a cooperative endeavor agreement (CEA) that funded a broad landscape of economic development activities and business services to be provided by the Organization within the City of New Orleans. The CEA provided funding from the City totaling $1 million and required the Organization to raise $400,000 in matching funds from private foundations and other private sources.

Continued,

- In 2021 NOLABA and Louisiana Economic Development Corporation (LED) executed a cooperative endeavor for the purposes of generating "technical assistance" to the local businesses and communities and economic benefits to be derived from the activities and performance of the services. The services are expected to provide significant enhancement of the revitalization of local businesses and communities impacted by COVID-19 and the pandemic created thereby, increased economic development opportunities and benefits, as well as significant economic benefits, and that the State of Louisiana and its citizens will be the recipients of such benefits. More specifically the services funded by this CEA include: 1) business development and recruitment; 2) in state business retention; 3) customized workforce development; 4) small business and entrepreneurship; 5) regional assets development; 6) improvement of community; 7) state economic competitiveness; and 8) promotion of Louisiana's business advantages.

Note 8: Grants

Grant revenue at December 31, 2021 and 2020 is as follows:

Grantor Name	2021	2020
City of New Orleans	$ 554,000	$2,500,000
Kellogg Foundation	-	1,585,000
JP Morgan Chase Foundation	2,850,000	1,025,000
Conrad N. Hilton Foundation	-	745,000
Surdna Foundation	150,000	200,000
Baptist Community Ministries	142,500	185,000
Communities Foundation of Texas	-	150,000
The Greater New Orleans Foundation	-	115,508
The Aspen Institute, Inc.	-	115,000
The Kresge Foundation	-	100,000
Other Foundations	147,901	12,296
w.K. Kellogg Foundation	2,500,000	-
Capital One	20,000	-
Total	$ 6,364,401	$6,732,804

Note 9: Fringe Benefit Liabilities

Management recorded fringe benefit liabilities totaling $174,693 and $223,857 at December 31, 2021 and at December 31, 2020 respectively. These balances primarily represented a liability for compensated absences.

Note 10: Qualified Retirement Plan (401k)

The Organization has an Internal Revenue Service qualified employee retirement plan (401k). During 2021 and 2020, the Organization recorded matching contributions totaling $45,387 and $59,430 respectively.

Note 11: Related Party Transactions

The Organization had pledge receivable balances from related parties in the amount of $20,000 as of December 31, 2020. The related party includes a Board of Directors member. There were no related party transactions noted for the year ended December 31, 2021

Note 12: New Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842). ASU 2016-02 requires that a lessee recognize the assets and liabilities that arise from leases classified as finance or operating. Under the new guidance, lessees should recognize in the balance sheet a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. Additional qualitative and quantitative disclosures will be required so that users can understand more about the nature of an entity's leasing activities. In transition, lessees and lessors will be required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. ASU 2016-02 is effective for financial statements issued for annual periods beginning after December 15, 2020. Management is currently evaluating the impact of adopting the new accounting standard on its financial statements.

Note 13: COVID-19 Global Pandemic

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) spread across multiple countries, including the United States. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the United States have declared a state of emergency. It is anticipated that these impacts will continue for some time. Future potential impacts may include disruptions to the Organization's operations and the ability for the Organization's employees to perform their tasks. To offset interruptions in the Organization's operations, the Organization obtained a Payroll Protection Program (PPP) loan with the Small Business Administration during the year ended December 31, 2020. The loan is eligible for forgiveness, as long as the Organization uses the funds for eligible purposes. At December 31, 2020, the outstanding balance of the PPP loan was $623,200. This loan was forgiven during the year ended December 31, 2021 and was recognized as revenue in the current period.

Note 14: Gig Economic Relief Fund

On March 16, 2020, the Organization launched the Gig Economy Relief Fund to meet the needs of gig workers directly impacted by COVID-19. Gig economy workers represent more than 8 percent of the workforce in Orleans Parish, including rideshare drivers, musicians, arena workers, and festival production staff, among others. As contract employees of often large corporations, gig workers tend to lack access to minimum wage, paid sick leave, overtime pay, and standard employee benefits, making them particularly susceptible to changes within the economy. With the cancellations and postponements of many of New Orleans; large local events, this community was actively losing out on millions of dollars of potential income, directly impacting their livelihoods and family well-being. The Organization set up the relief fund to ensure the economic security of these critical members of the community. The Organization invested an initial $100,000 in private funding to launch the fund and has since grown its assets through philanthropic support to over $1.5 Million, which will all be issued in relief grants to gig workers.

Note 15: Subsequent Events

Management evaluated subsequent events as of June 13, 2022, which is the date of these financial statements. Management has noted that there are no additional disclosures or adjustments to these financial statements required.

Luther Speight & Company, LLC
Certified Public Accountants and Consultants

INDEPENDENT AUDITOR'S 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 of
NOLA Business Alliance, Inc.

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 NOLA Business Alliance, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 13, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered NOLA Business Alliance's (the Organization) 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 Organization'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 entity'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.

Our consideration of 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Continued,

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization'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 financial statements. 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*.

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.

Luther Speight & Company CPAs

New Orleans, Louisiana
June 13, 2022

NOLA BUSINESS ALLIANCE, INC.
NEW ORLEANS, LOUISIANA
FOR THE YEAR ENDED DECEMBER 31, 2021
SUMMARY OF AUDITOR'S RESULTS

Financial Statements

An unmodified opinion was issued on the financial statements of the auditee.

Internal Control Over Financial Reporting:		
Material weakness(es) identified?	____ YES	__X__ NO
Significant deficiency(s) identified not considered to be material weaknesses?	____ YES	__X__ NO
Noncompliance material to financial statements noted?	____ YES	__X__ NO

Federal Awards

NOLA Business Alliance, Inc. (the Company) received federal awards during the year ended December 31, 2021 and 2020. However, the amount of federal awards expended during both years were less than the Single Audit threshold of $750,000. Therefore, the Company did not require a Single Audit for the year ended December 31, 2021 or 2020.

NOLA BUSINESS ALLIANCE, INC.
NEW ORLEANS, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES
DECEMBER 31, 2021

We noted no findings during the year ended December 31, 2021.

NOLA BUSINESS ALLIANCE, INC.
NEW ORLEANS, LOUISIANA
STATUS OF PRIOR FINDINGS AND RESPONSES
DECEMBER 31, 2021

There were no findings reported in the prior year's audit.

NOLA BUSINESS ALLIANCE, INC.
NEW ORLEANS, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
DECEMBER 31, 2021

Agency Head Name:	**Quentin L. Messer, Jr.** January 1, 2021 - June 30, 2021	**Norman Barnum IV** July 1, 2021 - December 31, 2021
Purpose	**Amount**	**Amount**
Salary	$ 140,641	$ 128,547
Benefits-insurance	12,500	-
Benefits-retirement	-	-
Benefits-executive parking	1,230	1,250
Car allowance	4,500	4,500
Vehicle provided by government	-	-
Per diem	-	-
Reimbursements	-	5,946
Travel	-	-
Registration fees	-	-
Conference travel	-	-
Continuing professional education fees	-	-
Housing	-	-
Unvouchered expenses	-	-
Special meals	-	-

Note: This schedule includes compensation and fringe benefits paid from public funds.

Celebrating 30 Years

Luther Speight & Company, LLC
Certified Public Accountants and Consultants

NOLA BUSINESS ALLIANCE, INC.

AGREED UPON PROCEDURES REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

Luther Speight & Company, LLC
Certified Public Accountants and Consultants

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of NOLA Business Alliance, Inc.
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by NOLA Business Alliance, Inc (entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2021 through December 31, 2021. The Entity's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. 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):

a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget

Results: *The policies and procedures appear to appropriately address the required elements above.*

b) ***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.

Results: *The policies and procedures appear to appropriately address the required elements above.*

c) ***Disbursements***, including processing, reviewing, and approving

Results: *The policies and procedures appear to appropriately address the required elements above.*

d) ***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).

Results: *The policies and procedures appear to appropriately address the required elements above.*

e) ***Payroll/Personnel***, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

Results: *The policies and procedures appear to appropriately address the required elements above.*

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

Results: *The policies and procedures appear to appropriately address the required elements above.*

g) ***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)

Results: *Documented procedures addressing the above requirements were not provided.*

Management's Response: *Management will update its procedure documentation to include the requirements noted.*

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

Results: *Documented procedures addressing the above requirements were provided.*

i) ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.

Results: *Not applicable, as the entity is a nonprofit.*

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

Results: *Not applicable, as the entity is a nonprofit.*

k) ***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.

Results: *Documented procedures addressing the above requirements were provided.*

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

Results: *Management provided us with their employee procedure and policy manual, the manual covers sexual harassment rules and regulation, and each employee must attend and complete the ethics and sexual harassment training annually. They do not have any annual reports for sexual harassment.*

Management's Response: *We will update the policy to include the annual reporting requirement.*

Board or Finance Committee

2. 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:

   a) 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.

   Results: *The Board met monthly, and minutes were recorded and approved accordingly.*

   b) For those entities reporting on the governmental accounting model, observe whether 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.*

   Results: *The entity reports using the nonprofit model. Financial disclosures in the minutes were adequate.*

c) 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.

Results: *Not applicable, as the entity is a nonprofit.*

Bank Reconciliations

3. Obtain a listing of client 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:

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

   Results: *Per review of the bank reconciliations and bank statements, we noted that all of the evidence (date and time) as being reconciled. In addition, those accounts were reconciled within 2 months of year-end.*

   b) 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 (e.g., initialed and dated, electronically logged); and

   Results: *We noted that a board member initials and dates the bank reconciliations after reviewing them.*

   c) 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.

   Results: *We noted no reconciling items that have been outstanding for more than 12 months from year-end.*

Collections

4. 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).

   ***Results**: Management stated that funds received are initiated through wire transfers and must be approved by the CFO.*

5. 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:

   a) Employees responsible for cash collections do not share cash drawers/registers.

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

   c) Each employee responsible for collecting cash is not 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.

   d) 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 responsible for collecting cash, unless another employee/official verifies the reconciliation.

   ***Results:** Cash collection procedures appeared to be adequate and included segregation of duties.*

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

   ***Results**: A copy of the insurance policy was received, and no exceptions were noted.*

7. 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:

   a) Observe that receipts are sequentially pre-numbered.

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

   c) Trace the deposit slip total to the actual deposit per the bank statement.

   d) Observe 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).

   e) Trace the actual deposit per the bank statement to the general ledger.

   Results: *The organization's collections were made via electronic deposits. No exceptions noted to these requirements.*

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

8. 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).

   Results: *All payments were processed at the organization's primary office location.*

9. For each location selected under #8 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:

a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
b) At least two employees are involved in processing and approving payments to vendors.
c) 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.
d) 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.

Results: *Purchasing and disbursement procedures appeared to be adequate and included segregation of duties.*

10. For each location selected under #8 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:

a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

***Results**: Our examination of disbursements showed no exceptions.*

Credit Cards/Debit Cards/Fuel Cards/P-Cards

11. 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 persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

***Results**: LSC received a listing of active credit cards. NOLA Business Alliance employees do not have bank debit, fuel, or P-cards.*

12. 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:

a) 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. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

***Results**: There is evidence showing that the statements were reviewed and approved by personnel other than the card user.*

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

***Results**: Finance charges and late fees were not assessed on any of the cards.*

13. 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 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.

***Results**: The Controller supplied receipts and documentation for transactions on selected employees' December 2021 statements. There were no exceptions noted.*

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

14. 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:

a) If reimbursed using a per diem, observe 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).

***Results**: Per diem rates were not used for travel expense reimbursements.*

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

***Results**: Reimbursements using actual costs were supported by the original itemized receipts.*

c) Observe 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 #1h).

***Results**: Each reimbursement was supported by documentation detailing the business/public purchase for the charge.*

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

***Results**: Each reimbursement was reviewed and approved in writing by someone other than the person receiving the reimbursement.*

Contracts

15. 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:

a) 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.

***Results**: We reviewed a selection of five (5) contracts and noted no exceptions to the Louisiana Public Bid Law.*

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

***Results**: After review of the policy and procedure manual we noted that all contracts have supporting documentation reflecting Board approval.*

c) If the contract was amended (e.g., change order), observe 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, was approval documented).

   Results: *From the contracts selected we noted that there were no amendments or change orders.*

d) 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 the invoice and related payment agreed to the terms and conditions of the contract.

   Results: *We obtained a supporting invoice for each of the contracts and agreed the payment to the contract terms without exception.*

Payroll and Personnel

16. 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.

    Results: *We tested the selected employees, and no exceptions were noted.*

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

    a) Observe 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.)

       Result: *Per conversation with management, we noted employees are not required to document their daily time. Time and attendance is verified through regular meetings and review of required deliverables. For their vacation and sick time, the employee time must be reported in their online HR portal. All vacation time is approved by management.*

b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.

Result: *Per conversation with management, employees are not required to document their daily time. For their vacation and sick time, the employee must be reported in their online HR portal. All vacation time will be approved by management.*

c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

Results: *We tested the pay period, and no exceptions were noted.*

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

Results: *We traced the rates of pay for the selection of personnel to their respective human resource file without exception.*

18. 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's policy on termination payments. Agree the hours to the employee or officials' cumulative 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.

    Results: *We agreed a selection of terminated employees rate of final pay to their respective human resource file without exception.*

19. 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.

    Results: *No exceptions were noted. All payroll related amounts were paid by deadlines.*

Ethics

Results: *Section is not applicable, as the Organization is a non-profit.*

Debt Service

Results: *Section is not applicable, as the Organization is a non-profit.*

Fraud Notice

20. 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.

    Results: *No misappropriations of public funds and assets were noted.*

21. 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.

    Results: *Website does not mention any reporting of misappropriation, fraud, waste, or abuse of public funds.*

    Managements Response: *Management will update its website with the required fraud language noted above.*

Information Technology Disaster Recovery/Business Continuity

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

    a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

       Results: *We have received documentation with no exceptions.*

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

Results: *We have received documentation with no exceptions.*

c) 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.

Results: *We have received documentation with no exceptions.*

Sexual Harassment

23. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

Results*: Per conversation with Ken and Victoria, all employees received at least one (1) hour of sexual harassment training from their legal team in the year of 2021. However, documentation was not obtained.*

Management's Response*: Management does not track the certification classes, but will implement that in this current year.*

24. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

Results*: The organization's website does not mention sexual harassment policy or complaint procedure.*

Management's Response: *The organization will update its website to include the required information noted above.*

25. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

***Results**: The organization did not provide us with an annual sexual harassment report. These responses were provided only based upon verbal responses from management.*

1. Number and percentage of public servants in the agency who have completed the training requirements.

   ***Management's Response:** 18 employees (100%).*

2. Number of sexual harassment complaints received by the agency.

   ***Management's Response:** None*

3. Number of complaints which resulted in a finding that sexual harassment occurred.

   ***Management's Response:** None*

4. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

   ***Management's Response:** None*

5. Amount of time it took to resolve each complaint.

   ***Management's Response:** N/A*

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 those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other maters might have come to our attention that would have been reported to you.

The purpose of this report is 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.

Luther Speight & Company CPAs
New Orleans, Louisiana
June 13, 2022