

**LOUISIANA LEADERSHIP INSTITUTE
(A NONPROFIT ORGANIZATION)**

ANNUAL FINANCIAL REPORT

**As of and for the year ended
June 30, 2022**

(With Accountant's Report Thereon)

LOUISIANA LEADERSHIP INSTITUTE

Annual Financial Report
As of and for the year ended
June 30, 2022
With Supplemental Information Schedule

TABLE OF CONTENTS

	<u>Page No.</u>
Independent Auditor's Report	1 - 2
Report in Internal Control over Financial Reporting and on Compliance and Other matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards	3 - 4
Financial Statements	
Statement of Financial Position	5
Statement of Activities	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 13
Supplemental Information	
Schedule of Compensation, Benefits and Other Payments to Executive Director	14
Schedule of Findings and Questioned Costs	15
Current Year Findings and Questioned Costs	15
Summary Schedule of Prior Year Findings	16

MICHAEL K. GLOVER
CERTIFIED PUBLIC ACCOUNTANT
(A Professional Accounting Corporation)

9437 BROOKLINE
BATON ROUGE, LOUISIANA 70809
(225) 295-1860

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Louisiana Leadership Institute
Baton Rouge, Louisiana

Opinion

I have audited the accompanying financial statements of the Louisiana Leadership Institute (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022, and the related statement of activities and cash flows for the year then ended, and the related notes to the financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Louisiana Leadership Institute (a nonprofit organization) as of June 30, 2022, and the changes in net assets and its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

I conducted my audit in accordance with auditing standards generally accepted in the United State of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the Louisiana Leadership Institute, and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 Louisiana Leadership Institute ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' Responsibility for the Audit of the Financial Statements

My 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 my 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 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 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, I:

- Exercise professional judgement 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 reasonable 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 Louisiana Leadership institutes internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made my management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Louisiana Leadership Institutes ability to continue as a going concern for a reasonable period of time.

I am required to communicate with those charged with governance regarding, amount other matters, the planned scope and timing of the audit, significant auditing findings, and certain internal control-related matter that I identified during the audit.

Report on Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise of the Louisiana Leadership Institute basic financial statements. The accompanying supplemental schedules of Executive Director Compensation, Benefits, and Other Payments, listed in the table of contents 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated June 22, 2023, on my consideration of the Board's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance



Michael K Glover APAC
Baton Rouge, LA
June 22, 2023

MICHAEL K. GLOVER
CERTIFIED PUBLIC ACCOUNTANT
(A Professional Accounting Corporation)
9437 BROOKLINE
BATON ROUGE, LOUISIANA 70809
(225) 295-1860

**Independent Auditor's Report on Internal Control over Financial Reporting and On Compliance and
Other Matters Based on an Audit of the Financial Statements Performed in
Accordance with *Government Auditing Standards***

To the Board of Directors
Louisiana Leadership Institute
Baton Rouge, Louisiana

I have audited, 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, the financial statements of Louisiana Leadership Institute (a nonprofit organization) which comprise of the statement of financial position as of June 30, 2022, 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 my report thereon dated June 22, 2023.

Report on Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered the Louisiana Leadership Institute 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 my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Louisiana Leadership Institute internal control. Accordingly, I do not express an opinion on the effectiveness of Louisiana Leadership Institute 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Institute'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.

My consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. I identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned cost as item 2022-1 that I considered to be a significant deficiency

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Louisiana Leadership Institute's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my test disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned cost as item 2022-1.

Louisiana Leadership Institute's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on Louisiana Leadership Institute's response to the findings identified in my audit and described in the accompanying schedule of findings and questioned cost. Louisiana Leadership Institute's response was not subjected to other audit auditing procedures applied in the audit of the financial statements and accordingly, I express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Institute'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 Institute's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Michael K. Glover APAC
Baton Rouge, La
June 22, 2023

LOUISIANA LEADERSHIP INSTITUTE

Statement A

Statement of Financial Position
June 30, 2022

ASSETS

Current assets:

Cash and cash equivalents	\$	432,839
Cash restricted		246,850
Investments		616,531
Prepaid insurance		<u>35,583</u>
Total current assets		1,331,803

Capital Assets

Property and equipment		8,941,115
Less: Accumulated depreciation		<u>(2,771,404)</u>
		6,169,711

Total Assets	\$	<u><u>7,501,514</u></u>
--------------	----	-------------------------

LIABILITIES

Current liabilities:

Accounts payable	\$	0
Payroll tax payable		5,214
Deferred grant funds - restricted		<u>246,850</u>
Total current liabilities		252,064

Long-term liabilities

Accrued interest		117,386
Promissory note		<u>691,081</u>
Total long-term liabilities		<u>808,467</u>
Total liabilities		1,060,531

NET ASSETS

Restricted		35,583
Non restricted		<u>6,405,400</u>
Total net assets		6,440,983

Total liabilities and net assets	\$	<u><u>7,501,514</u></u>
----------------------------------	----	-------------------------

The notes and the independent auditor's report are an integral part of this statement.

LOUISIANA LEADERSHIP INSTITUTE

Statement B

STATEMENT OF ACTIVITIES
For the year ended June 30, 2022

	Non Restricted Funds	Restricted Funds Act 45 & 119	Total
Revenues and gains			
Grant	\$ 0	2,023,996	2,023,996
Donations and contributions	30,650		30,650
Rental income	43,000		43,000
Other	10,299		10,299
	<u>83,949</u>	<u>2,023,996</u>	<u>2,107,945</u>
Expenses			
Program Expenses			
Program	1,500	552,010	553,510
	<u>1,500</u>	<u>552,010</u>	<u>553,510</u>
Support			
General and administrative	54,447	-	54,447
Depreciation	262,437		262,437
Interest	31,095		31,095
Total support expenses	<u>347,980</u>	<u>-</u>	<u>347,979</u>
Total expense	<u>349,479</u>	<u>552,010</u>	<u>901,489</u>
Income from Operations	<u>(265,530)</u>	<u>1,471,986</u>	<u>1,206,456</u>
Release of funds to purchase capital assets with restricted funds	1,436,403	(1,436,403)	
Other (expenses) revenues			
Investment income	2,792		2,792
Change in net assets	1,173,665	35,583	1,209,248
Total net assets-beginning	<u>5,231,735</u>		<u>5,231,735</u>
Total net assets-ending	<u>\$ 6,405,400</u>	<u>35,583</u>	<u>6,440,983</u>

The notes and the independent auditor's report are an integral part of this statement.

LOUISIANA LEADERSHIP INSTITUTE

Statement C

STATEMENT OF CASH FLOWS
For the year ended June 30, 2022

Cash Flows from Operating Activities:	
Revenue collected:	
Contributions from restricted funds	\$ 2,000,000
Unrestricted contributions	30,650
Rental income	43,000
Other income	10,299
	<u>2,083,949</u>
Payment for expenses:	
From restricted funds	(552,010)
Other non restricted expenses	(86,315)
	<u>(638,325)</u>
Net cash used for operating activities	1,445,624
Cash Flows From Investing Activities:	
Purchase of capital assets	(1,459,863)
	<u>(1,459,863)</u>
Net increase (decrease) in cash and cash equivalents	(14,239)
Cash and cash equivalents, beginning of year	<u>693,928</u>
Cash and cash equivalents, end of year	<u><u>\$ 679,689</u></u>
RECONCILIATION OF OPERATING INCOME AND NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income (loss)	\$ 1,206,456
Adjustments to reconcile net assets to cash provided (used) by operating activities:	
Depreciation	262,437
Change in assets and liabilities	
Prepaid insurance	(35,583)
Accrued liabilities	31,095
Payroll tax payable	5,214
Deferred grant funds	(23,995)
Net cash provided (used) by operating activities	<u><u>\$ 1,445,624</u></u>
Cash with restricted deposits	\$ 246,850
Cash and cash equivalents with no restrictions	<u>432,839</u>
	<u><u>\$ 679,689</u></u>

The notes and the independent auditor's report are an integral part of this statement.

LOUISIANA LEADERSHIP INSTITUTE

Notes to Financial Statements As of and for the Year ended June 30, 2022

1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. NATURE OF ACTIVITIES

The Louisiana Leadership Institute (the "Institute") is a private nonprofit organization located in Baton Rouge, Louisiana. The Institute was created to provide the opportunity for students to develop leadership skills, improve academics, heighten self-esteem, and instill motivation while building a strong work ethic and positive outlook for the professional world.

A. Cash and Cash Equivalents

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

B. Property and equipment

Property and equipment are capitalized at cost. Donated property is recorded at its estimated fair value on the date of receipt. Additions, renewals, and betterments that extend the life of the assets are capitalized. Maintenance and repair expenditures are expensed as incurred.

Depreciation is calculated using the straight-line method over the estimated useful lives ranging from three to 7 years for furniture, vehicles and equipment to forty years for buildings.

C. 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 and disclosures. Actual results could differ from those estimates.

D. Accounts payables

Accounts payables include purchase from various vendors for operating expenses.

E. Income tax status

The Institute is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service.

F. Investments

Investments are equity securities with readily determinable fair values and recorded in the statement of financial position and recorded at their cost. Unrealized gains and losses are not included in the change of net assets. Investment income and gains are recorded in the statement of activities.

G. Prepaid insurance

Prepaid insurance is insurance premiums paid before the expense was incurred. The expense is determined by the number of months the policy was in effect.

H. Revenues

Program Revenues

The Statement of Activities presents grants, rental income, donations and contributions for scholarships and other contributions separately and classified as either restricted or non restricted.

Grants and contributions - whether operating or capital in nature, are revenues arising from receipts that are reserved for a specific use.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I. Cost Allocation

The financial statements report certain categories of expense that are attributed to more than one program or supporting function (general and administrative). These expense are allocated on a reasonable basis that is determined by management and the requirements of the program(s).

J Recent Accounting Pronouncements

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB 87, Leases, which require leases to be recorded by the lessee and the lessor as an asset and/or a liability on the balance sheet where the term of the lease obligation is for more than twelve months.

In response to the COVID-19 pandemic, ASU 2020-05 was issued in June 2020 delaying the effective date for Topic 842 to fiscal years beginning after December 15, 2022. The Company is evaluating the impact the pronouncement may have on the financial statements.

2. CASH AND DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposits. All deposits are carried at cost plus accrued interest.

<u>Depository Account</u>	<u>Amount</u>
Insured	\$ 500,000
Collateralized	
Uncollateralized	235,073
Collateralized with securities held by the pledging financial institution	
Collateralized with securities held by the pledging financial institutions trust department	
Total bank balances exposed to custodial credit risk	<u>\$ 735,073</u>
Total bank balances	<u>\$ 679,689</u>

Custodial credit risk is the risk that in the event of a bank failure, the Institute's deposits may not be returned. The Institute does not have a deposit policy for custodial credit risk.

3. INVESTMENTS

The Board authorized certain deposits to be placed in a third party brokerage account to invest in equity securities that will be selected by the board and an advisor with the broker firm.

Credit risk: - The board does not have a policy.

Custodial credit risk: - The board does not have a policy

Concentration of credit risk: The board does not have a policy.

Interest rate risk: - The board does not have a policy.

Foreign currency risk: Not applicable.

LOUISIANA LEADERSHIP INSTITUTE
 Baton Rouge, Louisiana
 Notes to Financial Statements (Continued)

3. INVESTMENTS Con't

The investments in the brokerage account are at fair value. Quoted prices in active markets are readily available and are being used to measure the fair value of the equity securities. The fair value at year end was \$567,845. The brokerage account balance as of June 20, 2022 is as follows:

<u>Security</u>	<u>Sym</u>	<u>Shares</u>	<u>Cost</u>	<u>MKV</u>	<u>Unrealized Gain (Loss)</u>
Amazon	AMZN	50.00	\$ 158,747	\$ 106,210	(52,537)
Apple	AAPL	2988.00	399,224	412,264	13,040
Microsoft	MSFT	50.23	11,147	13,006	1,859
Tesla	TSLA	54.00	47,414	36,365	(11,049)
			<u>\$ 616,531</u>	<u>\$ 567,845</u>	<u>(48,686)</u>

Investment return during the fiscal year:

Realized gain on sale of investments	\$ -
Dividend income	<u>2,792</u>
Investment return	<u>\$ 2,792</u>

4. CAPITAL ASSETS

Capital assets as of June 30, 2022 are as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Land	\$ 297,553			297,553
Building and improvements	6,964,641	39,669		7,004,310
Office equipment	21,399	40,901		62,300
Office furniture	158,769	286,125		444,894
Machinery and equipment	24,886	13,168		38,054
Vehicles		1,080,000		1,080,000
Other assets	14,004			14,004
Total Depreciable Capital Assets	<u>7,481,252</u>	<u>1,459,863</u>	<u>-</u>	<u>8,941,115</u>
Less Accumulated depreciation				
Building and improvements	2,326,449	182,689		2,509,138
Office equipment	14,079	6,894		20,973
Office furniture	153,706	36,624		190,330
Machinery and equipment	729	6,230		6,959
Vehicles		30,000		30,000
Other assets	14,004			14,004
	<u>\$ 2,508,967</u>	<u>262,437</u>	<u>-</u>	<u>2,771,404</u>

5. PROMISSORY NOTE

A promissory note was established on June 30, 2018, with the original amount of \$691,018 with 4% interest per annum on the unpaid balance. The interest expense for the current year was \$31,095.

LOUISIANA LEADERSHIP INSTITUTE
 Baton Rouge, Louisiana
 Notes to Financial Statements (Continued)

6. COOPERATIVE ENDEAVOR AGREEMENTS

There are two cooperative endeavor agreements the Institute entered into during the fiscal year:

Act 45 of 2020 Miscellaneous State Aid CEA # 21-945-88, Second Extraordinary Legislative Session of the Louisiana Legislature to provide programs and services for youth to build leadership, improve academic skills, and increase self esteem and motivation. The institutes aim is to create leaders for the 21st century by exposing students to educational, cultural, and recreational activities.

The institute was appropriated \$500,000 in advance with quarterly progress and cost reports that outline the resources, initiatives, activities, services and performance consistent with the provisions, goals and objectives of this agreement and cost reports with adequate supporting documentation to be submitted to the Louisiana Treasurer office.

The institute is required to submit a quarterly cost report documenting the expenses associated with the grant in accordance with the budget of the agreement. The information regarding the budget is as follows:

Act 45 Cost reports	Budget		Cost Reports Submitted		
	Original	Amended	As of	As of	Remaining
			6/30/2021	6/30/2022	funds as of
				30-Jun-22	
Salaries	\$ 134,200	156,682	39,318	117,364	0
Related benefits	20,000	12,029	3,050	8,979	0
Advertising	15,000	4,218	4,218	-	0
Printing	15,000	1,107	24	1,083	0
Insurance	24,000	27,307	27,307	-	0
Maintenance	51,800	46,679	36,628	10,051	0
Software license	1,000				-
Dues and subscriptions		886	157	729	0
Telephone and internet service	4,000	11,219	5,636	5,583	0
Postage	1,000	33		33	0
Other supplies	-	11,258		11,259	0
Utilities	25,000	35,148	13,004	22,144	0
Professional and contract services	9,000	12,798	9,299	3,499	0
Other charges and major repairs	200,000	180,636	90,513	90,123	0
	\$ 500,000	500,000	229,154	270,847	-

Included in other charged and major repairs are increases of \$64,333 to Capital Assets

The agreement period began July 1, 2020, and ended June 30, 2021. The ending period was later extended to December 31, 2021.

Act 119 of 2021 State Aid to Local Government Entities CEA #22-945-32 to provide programs and services for youth to build leadership, improve academic skills, and increase self esteem and motivation. The institutes aim is to create leaders for the 21st century by exposing students to educational, cultural, and recreational activities.

The institute was appropriated \$1,000,000 in advance for all cost or expenses to be paid by the State in connection with the services to be provided under this agreement. This grant also includes an additional appropriation of \$1,000,000 for the purchase of 2 busses to help achieve the goals of this act. Quarterly progress and cost reports that outline the resources, initiatives, activities, services and performance consistent with the provisions, goals and objectives of this agreement and cost reports with adequate supporting documentation to be submitted to the Louisiana Treasurer office.

LOUISIANA LEADERSHIP INSTITUTE
 Baton Rouge, Louisiana
 Notes to Financial Statements (Continued)

6. COOPERATIVE ENDEAVOR AGREEMENTS (Con't)

The institute has prepared a quarterly cost report documenting the expenses associated with the grant in accordance with the budget of the agreement. The information regarding the budget is as follows:

Act 119 Cost reports	Budget		Cost Reports Submitted		Remaining funds as of 30-Jun-22
	Original	Amended	1/1/2021-3/31/2022	4/1/2022-6/30/2022	
Salaries	\$ 223,688	185,052	46,179	64,872	74,001
Related benefits	20,000	14,620	3,767	5,192	5,661
Advertising	15,000	6		6	-
Printing	20,000	1,582	716	866	-
Insurance	30,000	92,085	15,735	76,350	-
Maintenance of Equipment	30,000	-			-
Maintenance of Grounds	30,000	44,741	2,606	19,417	22,718
Rentals	5,000	-			-
Software licensing	1,000	-			-
Dues and subscriptions	2,500	313	157	156	-
Telephone and internet service	15,000	9,866	1,987	3,522	4,357
Postage	1,000	55	12	43	-
Utilities	15,000	35,110	8,408	6,523	20,179
Other	587,500	-			-
Other supplies	15,000	9,979	3,219	686	6,074
Professional and contract services		9,588	1,138	2,591	5,859
Other charges		148,691	12,483	92,405	43,803
Acquisitions & Major Repairs	989,312	1,448,312	1,360,212	23,902	64,198
	<u>\$ 2,000,000</u>	<u>2,000,000</u>	<u>1,456,619</u>	<u>296,531</u>	<u>246,850</u>

Included in other charged and major repairs are increases of \$1,367,726 to Capital Assets

The agreement period began July 1, 2021, and ends on June 30, 2022. The period ending was later extended to June 30, 2023.

The Cost Reports prepared for the above acts are on a basis other than GAAP, The Cost Report is reported on a cash basis of accounting while the GAAP basis is an accrual method of accounting.

7. LIQUIDITY AND AVAILABILITY

The following represents the financial assets as of June 30, 2022:

	Non Restricted	Restricted
Financial assets at year end		
Cash	432,839	246,850
Investments	616,531	-
Financial assets available to meet expenditures over the next twelve months	<u>1,049,370</u>	<u>246,850</u>

As part of the liquidity plan, extra cash is invested in equity securities and made available for operating requirements within three days.

7. Subsequent Events

The Board has evaluated subsequent events for potential recognition of disclosure in the financial statements through June 22, 2023, the date which the financial statements were available to be issued.

**OTHER SUPPLEMENTAL INFORMATION AND REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

LOUISIANA LEADERSHIP INSTITUTE

Schedule of Compensation, Benefits and Other Payments
To Executive Director

For the year ended June 30, 2022

Agency Executive Director Jessica Martin was:

Salary	55,577.00
Related benefits	<u>4,251.00</u>
	<u>59,828.00</u>

LOUISIANA LEADERSHIP INSTITUTE.
 SCHEDULE OF FINDINGS AND QUESTIONED COST
 FOR THE YEAR ENDED JUNE 30, 2022

Section I - Summary of Auditor's Results

Financial statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
-Material weakness(es) identified?	_____ yes <u> x </u> no
-Significant deficiency(ies) identified?	<u> X </u> yes _____
-Noncompliance material to financial statements?	_____ yes <u> x </u> no
Was a management letter issued	_____ yes <u> x </u> no

State Financial Assistance – None

Section II - Financial Statements Findings

Statement of Findings and Questionable Cost for the Fiscal year ended June 30, 2022

Finding 2022-1 Late Filing of Financial Report

Condition	The audited financial statements for the year ended June 30, 2022, were not submitted until after the due date as required by the Louisiana Revised Statutes.
Criteria	Louisiana Revised Statute 24:513 and 24:514 require an entity that receives grants from Louisiana to have an annual audit submitted no later than six months from the close of the year end. An extension can be applied for.
Potential effect of Condition	Late submission of the financial statements could delay the receipt of grant funds.
Recommendaton	To comply with the Revised Statutes and submit the financial statements as required by Statute 24:513 and 24:514.
Response	The Board is aware of the non compliance with this Revised Statute for the year ended June 30, 2022. Changes have been made to assure this Statute is complied with in the future. Namely the June 30, 2023 financial audit.

LOUISIANA LEADERSHIP INSTITUTE.
SUMMARY OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2021

Finding 2021-1 Late Filing of Financial Report

Condition The audited financial statements for the year ended June 30, 2021, were not submitted until after the due date as required by the Louisiana Revised Statutes.

Update As in the response to this finding last year, the financial statements for June 30, 2021 were not issued until after the 6 month deadline and the submissions of the financial statements for June 30, 2022 were also issued after the 6 month deadline.

MICHAEL K. GLOVER
CERTIFIED PUBLIC ACCOUNTANT
(A Professional Accounting Corporation)
9437 BROOKLINE
BATON ROUGE, LOUISIANA 70809
(225) 295-1860

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

JUNE 26, 2023

To the Louisiana Leadership Institute, Inc. and the Louisiana Legislative Auditor:

I have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2021 through June 30, 2022. Louisiana Leadership Institute, Inc.'s management is responsible for those C/C areas identified in the SAUPs.

Louisiana Leadership Institute, Inc. has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2021 through June 30, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether 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.
 - 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.
 - c) **Disbursements**, including processing, reviewing, and approving.
 - 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).
 - e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
 - 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.

- 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).
- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

The Institute does not have policies and procedure for budgeting, purchasing, disbursements, receipts/collections, payroll/personnel, contracting, travel and expenses reimbursements, credit cards, ethics or debt service

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

I performed the procedure and discussed the results with management.

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

This policy does not apply to private non-profit entities; however, the Institutes has adopted policies and procedures to address sexual harassment.

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.

The board met with a quorum at each meeting.
 - 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 funds⁷. *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.*

The board minutes did include financial activities relating to the public funds received.

- 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.

Not applicable

Bank Reconciliations

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

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

The bank reconciliations were not performed within 2 months of the bank statement. They were not prepared until after the outsourced accountant was hired, September 2022. After this date all bank reconciliations have been performed for each month 2 months of the closing date bank statement.

- 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

There is no written evidence on the bank reconciliations that a member of management or board member reviewed the bank reconciliation.

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

There were no items outstanding for more than 12 months.

Collections (excluding electronic funds transfers)

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).

There is only one deposit site.

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.

The institute does not collect cash regularly and does not have any cash drawers or cash register.

- 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.

Management has informed me there was only one full time administrative employee and this employee performed each of the functions mentions above. The Institute did not have any one else to delegate these duties. Since this time, an outsourced accountant has been hired and verifies the collections.

- 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.

The board does not have an insurance policy for theft coverage on employee(s).

- 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.

The Institute does not sequentially pre-number their receipts.

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

Not applicable

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

The deposit slip total was traced to the actual deposit indicated on 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).

The Institute does not document when the receipt is received or collected.

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

The actual deposit indicated on the bank statement was traced to the general ledger.

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).

There is only one 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:

Not applicable

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

Management has informed me there was only one administrative employee available to initiate a purchase request.

- b) At least two employees are involved in processing and approving payments to vendors.

Only one employee is involved with this process.

- 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.

There is only one employee handling the process of a, b, c, and d above. There were no other full time administrative employees available to delegate the procedures. To mediate this deficiency the board reviewed the activities of this employee.

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.

The disbursement matched the related original itemized invoice of each of the 5 disbursements selected.

- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

There is no documentation indicating who performs which duties.

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.

There is one bank debit card and only one employee during this fiscal year had possession of the card.

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.]

There is no indication any of the transactions were reviewed or approved by someone other than the card holder.

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

Not applicable

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.

Of the 10 transactions selected, 2 of the receipts were missing. The eight receipts that were observed had original receipts that identified the purchase and included documentation of purpose. None of the receipts, including the 2 that were not located, were for meals.

Management has informed me the two missing invoices were reviewed by the board and were misplaced since the review.

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:

Management has informed me there were no travel reimbursements during the fiscal period.

- 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).
- b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- 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).
- d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving 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:

Management has informed me they did not have any agreements/contracts during the fiscal year for professional services, materials or supplies, leases or constructions activities.

- 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.
- 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).
- 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).
- 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.

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.

A list of employees was obtained from management.

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.)

Of the five employees selected four were salaried and one was part time. The salaried employees do not prepare daily attendance records and the attendance record of the part time employee could not be located.

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

The Institute does not offer any leave.

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

There is no leave time available.

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

The amounts paid the employees were approved by the board.

- 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.

One employee was terminated during the year. The Institute does not offer termination benefits.

- 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.

Management has informed me payroll taxes have been paid and the forms have been filed as required. There are no retirement or health insurance benefits. There was no workman compensation policy at this time. A workman compensation policy has been purchased since the close of this fiscal year.

Ethics

- 20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:

The Institute is a private non-profit organization that has obtained grants from the state of Louisiana. The contracts do not include any requirements for the Institutes employees or officers needing to comply with the Ethics requirements of R.S. 42:1170.

- a) Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
- b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Debt Service

- 21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.

There were not any other debt instruments issued during the fiscal year.

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

There is a promissory note that was issued in 2018. This note does not require a reserve balance nor are there any debt covenants.

Fraud Notice

23. 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.

There were no misappropriations of public funds or assets during the fiscal year.

24. Observe 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.

Management has informed me the Institute has requested their web techs to post this notice as required by R.S. 24.523.1 on their website.

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures,

- 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.

I have performed the procedures and discussed the results with management.

- 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.

I have performed the procedures and discussed the results with management.

- 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.

I have performed the procedures and discussed the results with management.

Sexual Harassment

26. 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.

The Institute is a private non-profit organization that has obtained grants from the state of Louisiana. The contracts do not include any requirements for the Institutes employees or officers needing to comply with the sexual harassment R,S, 42:342-344. However, the Institutes has initiated policies and procedures addressing sexual harassment.

27. 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).
28. 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:
 - a) Number and percentage of public servants in the agency who have completed the training requirements.
 - b) Number of sexual harassment complaints received by the agency.
 - c) Number of complaints which resulted in a finding that sexual harassment occurred.
 - d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - e) Amount of time it took to resolve each complaint.

I was engaged by Louisiana Leadership Institute, Inc. to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. I was not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

I am required to be independent of Louisiana Leadership Institute, Inc. and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.



Michael K Glover APAC
Baton Rouge, Louisiana

Current Year Exceptions

There were no exceptions for the current year.

Prior Year Exceptions:

This was the first year to require this report..