

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

ANNUAL FINANCIAL REPORT

**As of and for the year ended
June 30, 2021**

(With Accountant's Report Thereon)

LOUISIANA LEADERSHIP INSTITUTE

Annual Financial Report
As of and for the year ended
June 30, 2021
With Supplemental Information Schedule

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

9437 BROOKLINE
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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, 2021, 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, 2021, 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 May 4, 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
May 4, 2023

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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, 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 my report thereon dated May 4, 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 2021-1 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 2021-1.

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
May 4, 2023

LOUISIANA LEADERSHIP INSTITUTE

Statement A

Statement of Financial Position
June 30, 2021

| | |
|---|----------------------------|
| ASSETS | |
| Current assets: | |
| Cash and cash equivalents | \$ 423,082 |
| Cash restricted | 270,846 |
| Investments | 613,740 |
| Total current assets | <u>1,307,668</u> |
| Capital Assets | |
| Property and equipment | 7,481,252 |
| Less: Accumulated depreciation | <u>(2,508,967)</u> |
| | 4,972,285 |
| Total Assets | \$ <u>6,279,953</u> |
| LIABILITIES | |
| Current liabilities: | |
| Accounts payable | \$ 0 |
| Deferred grant funds - restricted | <u>270,846</u> |
| Total; current liabilities | 270,846 |
| Long-term liabilities | |
| Accrued interest | 86,291 |
| Promissory note | <u>691,081</u> |
| Total long term liabilities | <u>777,372</u> |
| Total liabilities | 1,048,218 |
| NET ASSETS | |
| Restricted | (0) |
| Non restricted | <u>5,231,735</u> |
| Total net assets | <u>5,231,735</u> |
| Total liabilities and net assets | \$ <u>6,279,953</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, 2021

| | Non Restricted Funds | Restricted Funds Act 45 | Total |
|--|----------------------------|-------------------------------|------------------|
| Revenues and gains | | | |
| Grant | \$ 600,500 | 229,154 | 829,654 |
| Scholarship donations | 13,000 | | 13,000 |
| Donations and contributions | 25,000 | | 25,000 |
| Rental income | 365,000 | | 365,000 |
| Other | 510 | | 510 |
| | <u>1,004,010</u> | <u>229,154</u> | <u>1,233,164</u> |
| Expenses | | | |
| Program Expenses | | | |
| Program | 3,021 | 149,443 | 152,464 |
| Depreciation | 168,246 | | 168,246 |
| Total program expense | <u>171,267</u> | <u>149,443</u> | <u>320,710</u> |
| Support | | | |
| General and administrative | (0) | 47,120 | 47,120 |
| Depreciation | 18,694 | | 18,694 |
| Interest | 29,899 | | 29,899 |
| Total support expenses | <u>48,593</u> | <u>47,120</u> | <u>95,713</u> |
| Total expense | <u>219,860</u> | <u>196,563</u> | <u>416,423</u> |
| Income from Operations | <u>784,150</u> | <u>32,591</u> | <u>816,741</u> |
| Release of funds to purchase capital assets with restricted funds | 32,591 | (32,591) | |
| Other (expenses) revenues | | | |
| Investment income | 13,982 | | 13,982 |
| Change in net assets | <u>830,723</u> | <u>(0)</u> | <u>830,723</u> |
| Total net assets-beginning-restated | <u>4,401,012</u> | | <u>4,401,012</u> |
| Total net assets-ending | <u>\$ 5,231,735</u> | <u>(0)</u> | <u>5,231,735</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, 2021

| | |
|---|---------------------|
| Cash Flows from Operating Activities: | |
| Revenue collected: | \$ |
| Southern University | 951,000 |
| Contributions from non restricted funds | 38,000 |
| Act 45 Grant | 500,000 |
| Dividends | 1,327 |
| Other income | 15,010 |
| | <u>1,505,337</u> |
| Payment for expenses: | |
| From restricted funds - Act 45 | (196,563) |
| Other non restricted expenses | (3,021) |
| | <u>(199,584)</u> |
| Net cash used for operating activities | 1,305,753 |
| Cash Flows From Investing Activities: | |
| Purchase of equity investments | (1,264,157) |
| Proceeds from sale of securities | 663,072 |
| Purchase of capital assets | (32,591) |
| | <u>(633,676)</u> |
| Net (decrease) increase in cash and cash equivalents | 672,077 |
| Cash and cash equivalents, beginning of year | <u>21,851</u> |
| Cash and cash equivalents, end of year | <u>\$ 693,928</u> |
| RECONCILIATION OF OPERATING INCOME AND NET CASH PROVIDED BY OPERATING ACTIVITIES | |
| Operating income (loss) | \$ 830,723 |
| Adjustments to reconcile net assets to cash provided (used) by operating activities: | |
| Depreciation | 186,940 |
| Change in assets and liabilities | |
| Trading securities | (12,655) |
| Accrued interest | 29,899 |
| Deferred grant funds | 270,846 |
| Net cash provided (used) by operating activities | <u>\$ 1,305,753</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, 2021

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 is 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 receivable and payables

Accounts receivable include unpaid ad valorem taxes, GASB 87 lease revenue and other assessments reduced by an allowance of uncollectible, while 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 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. 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

H. 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).

I 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, 2021. 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 | \$ 250,000 |
| Collateralized | |
| Uncollateralized | 450,588 |
| 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>\$ 700,588</u> |
| Total bank balances | <u>\$ 693,928</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 \$632,895. The brokerage account balance as of June 20, 2021 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 | \$ 172,008 | 13,262 |
| Apple | AAPL | 2988.00 | 396,933 | 410,576 | 13,643 |
| Microsoft | MSFT | 50.23 | 11,025 | 13,607 | 2,582 |
| Tesla | TSLA | 54.00 | 47,414 | 36,704 | (10,710) |
| | | | <u>\$ 614,118</u> | <u>\$ 632,895</u> | <u>18,777</u> |

| | |
|---|------------------|
| Investment return during the fiscal year: | |
| Realized gain on sale of investments | \$ 12,655 |
| Dividend income | <u>1,327</u> |
| Investment return | <u>\$ 13,982</u> |

4. CAPITAL ASSETS

Capital assets as of June 30, 2021 are as follows:

| | <u>Beginning Balance</u> | <u>Adjustments</u> | <u>Additions</u> | <u>Deletions</u> | <u>Ending Balance</u> |
|----------------------------------|------------------------------|--------------------|------------------|------------------|---------------------------|
| Land | \$ 297,553 | | | | 297,553 |
| Building and improvements | 6,964,641 | | | | 6,964,641 |
| Office equipment | 13,694 | | 7,705 | | 21,399 |
| Office furniture | 158,769 | | - | | 158,769 |
| Machinery and equipment | | | 24,886 | | 24,886 |
| Other assets | 14,004 | | | | 14,004 |
| Total Depreciable Capital Assets | <u>7,448,661</u> | <u>-</u> | <u>32,591</u> | <u>-</u> | <u>7,481,252</u> |
| Less Accumulated depreciation | | | | | |
| Building and improvements | 2,144,268 | | 182,181 | | 2,326,449 |
| Office equipment | 13,694 | | 385 | | 14,079 |
| Office furniture | 150,061 | | 3,645 | | 153,706 |
| Machinery and equipment | | | 729 | | 729 |
| Other assets | 14,004 | | | | 14,004 |
| | <u>\$ 2,322,027</u> | <u>-</u> | <u>186,940</u> | <u>-</u> | <u>2,508,967</u> |

5. PROMISSORY NOTE

A promissory note was established on June 30, 2018, with the original amount of \$691,081 with 4% interest per annum on the unpaid balance. The interest expense for the current year was \$29,899.

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:

The first with a University that determined an emergency need for additional class rooms, music and theatrical facility, meeting, training, practice and conditioning facilities in response to the COVID 19 health crisis to maintain proper social distancing guidelines and to ensure the safety for its student athletes, and students participating in University sanctioned activities. The University agrees to pay the Institute not to exceed \$990,000 with \$600,000 to be paid in advance after being granted the use of the Facility and \$39,000 for ten months with the last payment to be paid July 1, 2021. This agreement was not renewed.

The second agreement was enacted by Act 45 of 2020 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:

| Cost Report 1 | Budget | | Cost Report #1 | | | Remaining funds as of June 30, 2021 |
|------------------------------------|-------------------|----------------|----------------|----------------|---------------|-------------------------------------|
| | Original | Amended | Total; | Program | Support | |
| Salaries | \$ 134,200 | 156,682 | 39,318 | | 39,318 | 117,364 |
| Related benefits | 20,000 | 12,029 | 3,050 | | 3,050 | 8,979 |
| Advertising | 15,000 | 4,218 | 4,218 | 4,218 | (0) | 0 |
| Printing | 15,000 | 1,107 | 24 | 24 | 0 | 1,083 |
| Insurance | 24,000 | 27,307 | 27,307 | 24,576 | 2,731 | - |
| Maintenance | 51,800 | 46,679 | 36,628 | 36,628 | 0 | 10,051 |
| Software license | 1,000 | | | | | - |
| Dues and subscriptions | | 886 | 157 | | 157 | 729 |
| Telephone and internet service | 4,000 | 11,219 | 5,636 | 5,072 | 564 | 5,583 |
| Postage | 1,000 | 33 | | | | 33 |
| Other supplies | - | 11,258 | | | | 11,258 |
| Utilities | 25,000 | 35,148 | 13,004 | 11,704 | 1,300 | 22,144 |
| Professional and contract services | 9,000 | 12,798 | 9,299 | 9,299 | 0 | 3,499 |
| Other charges and major repairs | 200,000 | 180,636 | 90,513 | 90,513 | - | 90,123 |
| | | | | | - | - |
| | <u>\$ 500,000</u> | <u>500,000</u> | <u>229,154</u> | <u>182,034</u> | <u>47,120</u> | <u>270,846</u> |

Included in other charged and major repairs are purchase is \$32,591 of Capital Assets

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

The Cost Report is prepared on a basis other than GAAP, The Cost Report includes expenditures as they are disbursed while the GAAP basis is an accrual method of accounting.

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

7. Prior Period Adjustment

Adjustments are being made to the unaudited financial statements for the year ended June 30, 2020. The adjustments are to correct the balances of the accounts indicated below:

| | Net | Capital Assets | | Changes |
|--|---------------------|------------------|--------------------|------------------|
| | Assets | Capital | Accumulated | in net |
| | | assets | Depreciation | Assets |
| Beginning balances | \$ 4,465,663 | 8,169,853 | (3,034,964) | (186,175) |
| Adjustments: | | | | |
| Decline of book value of assets | (8,259) | (8,259) | | (8,259) |
| Accrued interest on promissory note | (56,392) | | | (56,392) |
| | <u>4,401,012</u> | | | |
| Removal of assets previously disposed: | | | | |
| Capital assets | (712,935) | (712,935) | | |
| Accumulated depreciation | <u>712,935</u> | | 712,935 | |
| | <u>-</u> | | | |
| Rounding | | 2 | 2 | |
| Ending balance - restated | \$ <u>4,401,012</u> | <u>7,448,661</u> | <u>(2,322,027)</u> | <u>(250,826)</u> |

8. Subsequent Events

The Board has evaluated subsequent events for potential recognition of disclosure in the financial statements through May 4, 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, 2021

Agency Executive Director Jessica Martin was:

| | |
|------------------|------------------|
| Salary | 18,933.00 |
| Related benefits | <u>1,449.00</u> |
| | <u>20,382.00</u> |

LOUISIANA LEADERSHIP INSTITUTE.
 SCHEDULE OF FINDINGS AND QUESTIONED COST
 FOR THE YEAR ENDED JUNE 30, 2021

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, 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.

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.

Recommendation 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 late filing of the financial statements for the years June 30, 2021 and June 30, 2022. Changes have been made to prevent the late filing of these financial statements in the future.

LOUISIANA LEADERSHIP INSTITUTE.
SUMMARY OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2020

None