THE GREATER BATON ROUGE ECONOMIC PARTNERSHIP, INC.
AND
THE GREATER BATON ROUGE ECONOMIC FOUNDATION, INC.

Audits of Consolidated Financial Statements

December 31, 2025 and 2024

Contents

MAULDIN & JENKINS
CPAs & ADVISORS

Independent Auditor's Report

To the Board of Directors
The Greater Baton Rouge Economic Partnership, Inc. and
The Greater Baton Rouge Economic Foundation, Inc.
Baton Rouge, LA

Report on the Audits of the Financial Statements

Opinion
We have audited the accompanying consolidated financial statements of Greater Baton Rouge Economic Partnership, Inc. and The Greater Baton Rouge Economic Foundation, Inc. (the Organization) which comprise the consolidated statement of financial position as of December 31, 2025, the related consolidated statements of activities, changes in net assets, and cash flows for the year then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2025 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Basis for Opinion
We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Prior Period Financial Statements
The financial statements of the Organization, as of and for the year ended December 31, 2024, were audited by other auditors, whose report, dated June 20, 2025, expressed an unmodified opinion on those financial statements.

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Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, 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 Organization's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying consolidating statement of financial position as of December 31, 2025 and consolidating statement of activities for the year ended December 31, 2025 are presented for the purpose of additional analysis and are not a required part of the financial statements. The accompanying schedule of compensation, benefits, and other payments to agency head, as required by Louisiana Revised Statute (R.S.) 24:513 A(3) is also presented for the purpose of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2026 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Baton Rouge, LA
June 24, 2026

THE GREATER BATON ROUGE ECONOMIC PARTNERSHIP, INC. AND
THE GREATER BATON ROUGE ECONOMIC FOUNDATION, INC.
Consolidated Statements of Financial Position
December 31, 2025 and 2024

		2025		2024
Assets				
Current Assets				
Cash and Cash Equivalents	**$**	**1,395,469**	$	896,745
Investments		**1,848,821**		1,634,647
Membership Dues Receivable, Net		**1,500**		19,822
Grants Receivable		**517,934**		709,184
Other Receivables		**168,691**		78,030
Due from Related Party		**78,278**		83,962
Prepaid Expenses		**120,838**		19,220
Total Current Assets		**4,131,531**		3,441,610
Property and Equipment, Net		**2,339,297**		2,463,312
Right-of-Use Assets for Operating Leases		**52,556**		-
Intagible Assets, Net		**40,626**		-
Other Assets				
Cash and Cash Equivalents - Held for Others		**1,924,441**		1,854,840
Total Other Assets		**1,924,441**		1,854,840
Total Assets	**$**	**8,488,451**	$	7,759,762

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

THE GREATER BATON ROUGE ECONOMIC PARTNERSHIP, INC. AND
THE GREATER BATON ROUGE ECONOMIC FOUNDATION, INC.
Consolidated Statements of Financial Position (Continued)
December 31, 2025 and 2024

	2025	2024
Liabilities		
Current Liabilities		
Funds Held in Custody	$ 1,924,441	$ 1,854,840
Accounts Payable	134,471	317,431
Accrued Expenses	72,505	142,954
Current Maturities of Note Payable	54,197	51,916
Deferred Revenue	346,609	171,521
Refundable Advances	500,000	500,000
Operating Lease Liabilities, Current	11,134	-
Total Current Liabilities	3,043,357	3,038,662
Note Payable, Net of Deferred Financing Costs	758,084	811,431
Operating Lease Liabilities, Non-Current	41,422	-
Total Liabilities	3,842,863	3,850,093
Net Assets		
Without Donor Restrictions		
Undesignated	4,137,170	3,406,651
Designated by the Board for Reserve Fund	508,418	503,018
Total Net Assets	4,645,588	3,909,669
Total Liabilities and Net Assets	$ 8,488,451	$ 7,759,762

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

THE GREATER BATON ROUGE ECONOMIC PARTNERSHIP, INC. AND
THE GREATER BATON ROUGE ECONOMIC FOUNDATION, INC.
Consolidated Statements of Activities
For the Years Ended December 31, 2025 and 2024

	2025	2024
Changes in Net Assets Without Donor Restrictions		
Revenues		
Contributions	$ 3,661,738	$ 2,869,941
Contributions of Nonfinancial Assets	481,098	956,554
Event Admissions and Sponsorships	290,904	339,184
Membership Dues	633,575	333,337
Leadership Program	70,625	70,175
Grant Revenue		
City of Baton Rouge/Parish of East Baton Rouge	526,363	961,767
State of Louisiana	-	800,000
Louisiana Economic Development	1,175,496	573,759
Other	300,761	350,365
Investment Return, Net	214,174	200,819
Interest Income	5,418	11,158
Other Income	263,527	458,420
Total Revenues	7,623,679	7,925,479
Expenses		
Program Services		
Marketing	1,677,351	2,403,391
Business Development	1,522,428	1,939,935
Community Development and Leadership	761,045	893,685
Business Intelligence	377,764	331,064
Governmental Affairs	252,696	271,346
Membership Activities	3,100	6,971
Total Program Services	4,594,384	5,846,392

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

THE GREATER BATON ROUGE ECONOMIC PARTNERSHIP, INC. AND
THE GREATER BATON ROUGE ECONOMIC FOUNDATION, INC.
Consolidated Statements of Activities (Continued)
For the Years Ended December 31, 2025 and 2024

	2025	2024
General and Administrative		
Personnel	**452,450**	631,575
Provision for Credit Losses	**439,978**	129,261
Professional Services	**296,002**	1,231,646
General Office	**249,765**	270,842
Occupancy	**171,759**	178,364
Travel and Hosting	**54,062**	136,186
Interest Expense	**36,479**	38,784
Event Expense	**3,328**	7,268
Other	**589,553**	46,083
Total General and Administrative	**2,293,376**	2,670,009
Total Expenses	**6,887,760**	8,516,401
Change in Net Assets Without Donor Restrictions	**$ 735,919**	$ (590,922)
Change in Total Net Assets	**$ 735,919**	$ (590,922)

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

THE GREATER BATON ROUGE ECONOMIC PARTNERSHIP, INC. AND
THE GREATER BATON ROUGE ECONOMIC FOUNDATION, INC.
Consolidated Statements of Changes in Net Assets
For the Years Ended December 31, 2025 and 2024

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Net Assets, January 1, 2024	$ 4,500,591	$ -	$ 4,500,591
Decrease in Net Assets	(590,922)	-	(590,922)
Net Assets, December 31, 2024	3,909,669	-	3,909,669
Increase in Net Assets	735,919	-	735,919
Net Assets, December 31, 2025	$ 4,645,588	$ -	$ 4,645,588

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

THE GREATER BATON ROUGE ECONOMIC PARTNERSHIP, INC. AND
THE GREATER BATON ROUGE ECONOMIC FOUNDATION, INC.
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2025 and 2024

	2025	2024
Cash Flows from Operating Activities		
Change in Net Assets	$ 735,919	$ (590,922)
Adjustments to Reconcile Change in Net Assets		
to Net Cash Provided by (Used in) Operating Activities		
Amortization Included in Interest	840	840
Depreciation and Amortization	92,254	104,910
Provision for Credit Losses	439,978	129,261
Net Realized and Unrealized Gains on Investments	(172,523)	(161,559)
Amortization of Right-of-Use Asset	(6,301)	16,496
Loss on the Sale of Property and Equipment	49,081	-
(Increase) Decrease in:		
Membership Dues Receivable	(421,656)	(123,779)
Grants Receivable	191,250	(191,300)
Other Receivables	(90,661)	37,877
Due from Related Party	5,684	(15,963)
Prepaid Expenses	(101,618)	27,633
(Decrease) Increase in:		
Accounts Payable	(182,960)	(44,123)
Accrued Expenses	(70,449)	46,233
Deferred Revenue and Refundable Advance	175,088	(252,704)
Operating Lease Liabilities	6,301	(16,496)
Net Cash Provided by (Used in) Operating Activities	650,227	(1,033,596)
Cash Flows from Investing Activities		
Acquisitions of Property and Equipment	(31,308)	(89,657)
Proceeds on the Sale of Property and Equipment	17,045	-
Additions to Intangible Assets	(43,683)	-
Purchases of Investments	(352,951)	(1,155,684)
Sales of Investments	311,300	1,575,407
Net Cash (Used in) Provided by Investing Activities	(99,597)	330,066

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

THE GREATER BATON ROUGE ECONOMIC PARTNERSHIP, INC. AND
THE GREATER BATON ROUGE ECONOMIC FOUNDATION, INC.
Consolidated Statements of Cash Flows (Continued)
For the Years Ended December 31, 2025 and 2024

		2025		2024
Cash Flows from Financing Activities				
Amounts Received on Behalf of Others - Funds Held in Custody		**415,036**		586,685
Amounts Paid Out on Behalf of Others - Funds Held in Custody		**(345,435)**		(230,037)
Payments on Note Payable		**(51,906)**		(49,601)
Net Cash Provided by Financing Activities		**17,695**		307,047
Net Increase (Decrease) in Cash and Cash Equivalents and Restricted Cash		**568,325**		(396,483)
Cash and Cash Equivalents and Restricted Cash, Beginning of Year		**2,751,585**		3,148,068
Cash and Cash Equivalents and Restricted Cash, End of Year	**$**	**3,319,910**	$	2,751,585
Supplemental Disclosure of Cash Flow Information				
Cash Paid for Interest	**$**	**35,639**	$	37,944
Operating Lease Liabilities Arising from Obtaining Right-of-Use Assets	**$**	**58,857**	$	-
Reconciliation of Cash and Cash Equivalents and Restricted Cash				
Cash and Cash Equivalents	**$**	**1,395,469**	$	896,745
Cash and Cash Equivalents - Held for Others		**1,924,441**		1,854,840
Total Cash and Cash Equivalents and Restricted Cash	**$**	**3,319,910**	$	2,751,585

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

Note 1. Summary of Significant Accounting Policies

Nature of Activities

The Greater Baton Rouge Economic Partnership, Inc. (GBREP), formerly known as Baton Rouge Area Chamber, was incorporated on September 22, 1948 as a public non-profit organization under Internal Revenue Code Section 501(c)(6). GBREP's mission is leading economic development in the nine-parish Baton Rouge area. The major programs and objectives are as follows:

- Business Development - Create an environment which attracts new and expanded business investment and development;
- Governmental Affairs - Advocate public policy positions that positively impact the business community;
- Community Development and Leadership - Build a learning community focused on creating a high-quality education system while developing the next generation of leaders;
- Business Intelligence - Conduct research on public policy issues affecting business development in the region;
- Marketing - Develop and implement a plan that promotes the Baton Rouge region to prospective companies; and
- Membership Activities - Provide a venue that allows members to promote their businesses.

The major sources of funding are from contributions, membership dues, and grants from the State of Louisiana and the City of Baton Rouge/Parish of East Baton Rouge.

The Greater Baton Rouge Economic Foundation, Inc. (GBREF), formerly known as the Greater Baton Rouge Economic Partnership was incorporated on April 19, 1994 as a public non-profit organization under Internal Revenue Code Section 501(c)(3). According to its by-laws, GBREF's mission is to benefit and increase the quality of life of the general public in and around the Baton Rouge area by promoting and supporting activities and functions that attract business, educate the public, and create jobs that increase economic growth and development in the region.

Principles of Consolidation

The consolidated financial statements include the accounts of GBREP and GBREF, which are not-for-profit organizations that are controlled by the Board of Directors (the Board) of GBREP. Intercompany transactions and balances have been eliminated in consolidation.

Note 1. Summary of Significant Accounting Policies (Continued)

Basis of Accounting

GBREP and GBREF (collectively referred to as the Organization) prepares its consolidated financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), which involves the application of accrual accounting. Consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

Recent Accounting Pronouncements - Adopted

In July 2025, the Financial Accounting Standards Board (FASB) issued Accounting Standards Updated (ASU) 2025-05, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*. This ASU introduces a practical expedient and, for entities other than public business entities, an accounting policy election to simplify the application of Topic 326, *Financial Instruments - Credit Losses*, to current accounts receivable and current contract assets arising from revenue transactions accounting for under Topic 606, *Revenue from Contracts with Customers*. This ASU is effective for all entities for annual reporting periods beginning after December 15, 2025, and interim reporting periods within those annual reporting periods. Early adoption is permitted in both interim and annual reporting periods in which financial statements have not yet been issued or made available for issuance. The Organization has early adopted the practical expedient and the accounting policy election for the year ended December 31, 2025.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, the Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Property and Equipment

Property and equipment are recorded at cost. It is the Organization's policy to capitalize fixed assets greater than $500 - $1,000 based on the type of asset purchased. Depreciation is computed using the straight-line method over the estimated useful lives of the assets with estimated lives between 3 and 40 years. When property is retired or otherwise disposed of, applicable amounts are removed from the related asset and accumulated depreciation accounts, and the resulting gain or loss is recognized.

Note 1. Summary of Significant Accounting Policies (Continued)

Operating Leases

The Organization determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract, and (ii) the customer obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Organization also considers whether its service arrangements include the right to control the use of an asset.

The Organization recognizes most leases on its consolidated statements of financial position as a right-of-use (ROU) asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term, measured on a discounted basis. Leases are classified as either finance leases or operating leases based on certain criteria. Classification of the lease affects the pattern of expense recognition in the consolidated statements of activities.

The Organization made an accounting policy election available not to recognize ROU assets and lease liabilities for leases with a term of 12 months or less. For all other leases, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease. The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives received. To determine the present value of lease payments, the Organization made an accounting policy election available to non-public companies to utilize a risk-free borrowing rate, which is aligned with the lease term at the lease commencement date.

Future lease payments may include fixed-rent escalation clauses or payments that depend on an index (such as the consumer price index), which is initially measured using the index or rate at lease commencement. Subsequent changes of an index and other periodic market-rate adjustments to base rent are recorded in variable lease expense in the period incurred. Residual value guarantees or payments for terminating the lease are included in the lease payments only when it is probable they will be incurred.

Contributed Support

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the Organization reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. Net assets without donor restrictions include those net assets available for use in general operations and not subject to donor restrictions. The governing board has designated, from net assets without donor restrictions, net assets for a reserve fund that may be drawn upon in times of emergency, to cover temporary cash needs, or for other cash needs in accordance with the policy.

Note 1. Summary of Significant Accounting Policies (Continued)

Contributed Support (Continued)

Net assets with donor restrictions are those net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized.

Revenue Recognition

Membership Dues

Membership dues are comprised of an exchange element based on the benefits provided over a period of time. The Organization recognizes membership dues revenue over the one-year membership period. As a practical expedient, the Organization uses the portfolio approach for annual membership dues paid by month. Payments are required at the start of the membership period. Amounts received in advance of the membership period are deferred to the applicable period. The opening balance of deferred membership dues at January 1, 2024 was $124,225. The balance of deferred membership dues at December 31, 2025 and 2024 was $199,109 and $121,521, respectively, and is included in deferred revenue on the consolidated statements of financial position.

Membership dues are recorded at cost, net of an allowance for credit losses. Management determines the allowance for credit losses in accordance with FASB ASU 2025-05, Measurement of Credit Losses for Accounts Receivable and Contract Assets which amends FASB Accounting Standards Codification (ASC) 326-20 *Financial Instruments Credit Losses* using an estimate of expected credit losses, applied to customer groupings with similar risk characteristics, based on historical experiences, and current economic conditions. The Organization has elected the practical expedient to assume current economic conditions remain constant for the remaining life of the receivables, and an accounting policy election to consider subsequent collection activity through January 1, 2026, in the estimation of expected credit losses. Account balances are written-off against the established allowance when management determines it is probable the receivable will not be collected.

As of December 31, 2025 and 2024, the total allowance recorded for credit losses was $-0- and $36,426, respectively. Account balances are written-off against the established allowance when management determines it is probable the receivable will not be collected. The opening balance of membership dues receivable, net, at January 1, 2024, was $25,304.

Note 1. Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

Grant Revenue Recognition

A portion of the Organization's revenue is derived from cost-reimbursable city and state grant, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific grant provisions.

Event Admissions and Sponsorships

The Organization recognizes revenue from ticket sales for event admission at the time of admission. The Organization records event sponsorships equal to the fair value of conditional direct benefits to donors when the event takes place. Payments are required at the time the event takes place. Amounts received in advance of when the event takes place are deferred. The opening balance of deferred event revenue at January 1, 2024 was $-0-. The balance of deferred event revenue at December 31, 2025 and 2024 was $147,500 and $50,000, respectively, and is included in deferred revenue on the consolidated statements of financial position.

Contributions

The Organization recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a benefit interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and right of return - are not recognized until the conditions on which they depend have been met. There were no unconditional or conditional promises to give at December 31, 2025 and 2024. Cash received on conditional grants for which the conditions have not yet been met at year-end are considered refundable advances. Refundable advances totaled $500,000 at December 31, 2025 and 2024.

Contributions of Nonfinancial Assets

Donations of contributed nonfinancial assets are record at fair value at the date of the donation.

Deferred Financing Costs

The Organization follows ASU 2015-03, *Interest - Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs*. ASU 2015-03 requires that debt issuance costs related to a recognized debt liability be presented in the statement of financial position as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. Deferred financing costs of $8,397 at December 31, 2025 and 2024 are being amortized over the term of the applicable note as a component of interest expense. These costs are presented net of accumulated amortization of $2,520 and $1,680 at December 31, 2025 and 2024, respectively.

Note 1. Summary of Significant Accounting Policies (Continued)

Vacation Leave

Vacation leave is earned at varying rates from two to three weeks per year depending on length of service. A maximum of two or three weeks, depending on length of service, of unused vacation leave may be carried over at year end; however, additional time may be awarded at the discretion of management. Accordingly, $66,133 and $88,204 related to such unused vacation leave has been accrued at December 31, 2025 and 2024, respectively.

Income Taxes

GBREP is exempt from federal income taxes under Section 501(c)(6) of the Internal Revenue Code. GBREF is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

To maintain the tax-deductible status of member dues, the GBREP limits for political-related activity to 12%.

Advertising

The Organization expenses advertising costs as they are incurred. Advertising costs of $15,002 and $7,586 were incurred during the years ended December 31, 2025 and 2024, respectively.

Functional Allocation of Expenses

The costs of providing various program and supporting activities have been summarized on a functional basis in the consolidated financial statements. Certain categories of expenses are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. All expenses, with the exception of interest expense and occupancy expense, are allocated on the basis of estimates of time and effort. Interest expense and occupancy expenses are specifically identified to a program or supporting function.

Note 2. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the consolidated statements of financial position date, comprise the following:

		2025		2024
Cash and Cash Equivalents	**$**	**1,395,469**	$	896,745
Investments		**1,848,821**		1,634,647
Other Receivable		**168,691**		78,030
Due from Related Party		**78,278**		83,962
Grants Receivable		**517,934**		709,184
Membership Dues Receivable, Net		**1,500**		19,822
Total	**$**	**4,010,693**	$	3,422,390

As part of the Organization's liquidity management plan, the Organization maintains balances in excess of daily requirements in cash, cash equivalents, and equity securities. The Board designates on an annual basis a reserve fund, that may be drawn upon in times of emergency, to cover temporary cash needs, or for other cash requirements in accordance with the policy, a target amount of three months of current year budgeted expenditures. GBREP's operating surpluses may also be deposited into the reserve fund.

Note 3. Property and Equipment, Net

Property and equipment, net at December 31, 2025 and 2024 consisted of the following:

Description	Service Life		2025		2024
Building and Improvements	10 - 40 Years	**$**	**2,651,463**	$	3,739,336
Computer Equipment and Software	3 - 5 Years		**50,057**		514,683
Office Equipment	5 - 15 Years		**-**		46,292
Furniture and Fixtures	5 Years		**333,953**		383,415
Land	-		**68,259**		68,259
			3,103,732		4,751,985
Less: Accumulated Depreciation			**(764,435)**		(2,288,673)
Property and Equipment, Net		**$**	**2,339,297**	$	2,463,312

Depreciation expense was $88,078 and $104,910 for the years ended December 31, 2025 and 2024, respectively.

Note 4. Investments

Investments are composed of the following at December 31, 2025 and 2024:

		2025		2024
Cash / Money Market	$	**51,768**	$	62,307
Equities		**1,797,053**		1,572,340
Total	**$**	**1,848,821**	$	1,634,647

Note 5. Retirement Plan

The Organization has a 401(k) retirement plan for all employees older than 21 years of age. The entrance dates of the plan are monthly. Effective January 1, 2016, the 401(k) retirement plan was amended to include a 30-day minimum service requirement to enroll in the plan. At that time, the employee will be automatically enrolled with a 6% employee contribution with the option to subsequently adjust. An employee becomes fully vested upon his participation. The plan provides for a safe harbor qualified employer match of 100% of the employee's contribution up to 6% of his pay. The Organization's contributions for the years ended December 31, 2025 and 2024 were $162,070 and $183,204, respectively.

Note 6. Related-Party Transactions

The Organization provides FuturePAC, LLC (FuturePAC) (a political action committee) with incidental administrative support. The amount charged to FuturePAC for this support totaled $5,000 for the years ended December 31, 2025 and 2024. Amounts due from FuturePAC for various expenses paid by the Organization on behalf of FuturePAC totaled $78,278 and $83,962 for the years ended December 31, 2025 and 2024, respectively, which is included in due from related party on the consolidated statements of financial position. FuturePAC has not been included in these consolidated financial statements because it does not meet the requirements for consolidation.

During the normal course of business, the Organization purchases the services and/or materials and supplies provided by businesses associated with certain members of the Organization's Board of Directors. During 2025 and 2024, the Organization incurred costs of $587,517 and $27,772, respectively, relating to services received from businesses associated with certain board members.

Note 7. Funds Held in Custody

The Organization acts as a fiscal agent for three organizations that do not have their own accounting function. As of December 31, 2025 and 2024, the Organization held $1,924,441 and $1,854,840, respectively, on behalf of these organizations.

Note 8. Note Payable

Note payable at December 31, 2025 and 2024 consisted of the following:

	2025	2024
Note payable to a bank, original amount of $975,000, interest at 4.25%, secured by building, monthly principal and interest payments of $7,365.43 beginning in November 2022, with all unpaid interest due at maturity on October 21, 2032.	**$ 818,158**	$ 870,064
	818,158	870,064
Less: Current Portion of Note Payable	**(54,197)**	(51,916)
Less: Deferred Financing Costs	**(5,877)**	(6,717)
Total	**$ 758,084**	$ 811,431

The principal maturities of the note payable as of December 31st are as follows:

Year Ending December 31,	**Amount**
2026	54,197
2027	56,579
2028	58,981
2029	61,659
2030	64,369
Thereafter	522,373
Total	$ 818,158

Note 9. Leases

Operating Leases

The Organization had an operating lease for two copiers with Xerox. The lease term expired on December 31, 2024 and continued month-to-month thereafter. The lease payments were $1,385 per month plus variable lease payments related to print charges. These variable lease payments ranged from $.0063 to $0.0477 per print depending on the type of printer and color selection.

The Organization has an operating lease for two copiers with Applied Business Concepts. The lease term expires on May 25, 2030. The lease payments are $1,076 per month plus variable lease payments related to print charges. These variable lease payments range from $0.0082 to $0.0673 per print depending on the type of printer and color selection.

Short-Term Leases

The Organization is involved in a month-to-month operating lease with 8x8, Inc. for the use of phone systems throughout the offices of the Organization. Additionally, after the expiration of the Organization's operating lease for two copiers with Xerox, the lease continued on a short-term basis until the execution of the aforementioned operating lease. As these agreements are month-to-month and can be cancelled after giving proper notice, these operating leases are classified as short-term leases. The Organization has elected the practical expedient for these short-term leases as the lease terms are less than 12 months and will not include these leases within the scope of ASC 842.

Quantitative Disclosures

The components of lease cost and other required information are as follows for the years ended December 31, 2025 and 2024:

	2025	2024
Lease Cost		
Operating Lease Cost	**$ 7,532**	$ 16,623
Short-Term Lease Cost	**21,421**	15,114
Variable Lease Cost	**17,207**	2,536
Total Lease Cost	**$ 46,160**	$ 34,273
Other Information		
Weighted-Average Remaining Lease Term (in Years)		
Operating Leases	**4.4**	0.0
Weighted-Average Discount Rate Applied (%)		
Operating Leases	**3.8**	1.7

Note 9. Leases

Quantitative Disclosures (Continued)
Future undiscounted cash flows for the next five years and thereafter and a reconciliation to the lease liabilities recognized on the consolidated statements of financial position are as follows as of December 31, 2025:

Years Ending December 31,	Operating Leases
2026	$ 12,912
2027	12,912
2028	12,912
2029	12,912
2030	5,380
Total Lease Payments	57,028
Less: Imputed Interest	(4,472)
Less: Lease Liabilities, Current Portion	(11,134)
Lease Liabilities, Net of Current Portion	$ 41,422

Note 10. Concentrations of Credit Risk

The Organization periodically maintains cash in bank accounts in excess of federally insured limits. The Organization has not experienced any losses and does not believe that significant credit risks exist as a result of this practice. At December 31, 2025 and 2024, $2,571,050 and $1,960,566, respectively, of cash and cash equivalents are uninsured.

Note 11. Fair Value Measurement

The carrying values of the Organization's financial instruments approximate fair value.

The Organization follows the provisions of the FASB ASC 820, *Fair Value Measurement*. Under FASB ASC 820, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Note 11. Fair Value Measurement (Continued)

FASB ASC 820 establishes a fair value hierarchy for inputs used in measuring fair market value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on the best information available in the circumstances.

The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 Valuations based on unadjusted quoted prices in active markets for identical assets and liabilities as of the reporting date. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.

Level 2 Valuations based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of assets or liabilities.

Level 3 Valuations based on inputs that are unobservable and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation. The fair values are typically determined using model-based techniques that include option pricing models, discounted cash flow models, and similar techniques.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value:

Money Market Accounts: Valued at the closing price reported on the active market on which the individual securities are traded.

Equity Securities: The fair value of investment securities is the market value based on quoted market prices, when available, or market prices provided by recognized broker dealers.

Note 11. Fair Value Measurement (Continued)

These methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The valuation of the Organization's assets measured at fair value on a recurring basis at December 31, 2025 and 2024, are as follows:

Assets	**Level 1**	**Level 2**	**Level 3**	**Net Balance**
Cash / Money Market	**$ 51,768**	**$ -**	**$ -**	**$ 51,768**
Equities	**1,797,053**	**-**	**-**	**1,797,053**
Total	**$ 1,848,821**	**$ -**	**$ -**	**$ 1,848,821**

Assets	Level 1	Level 2	Level 3	Net Balance
Cash / Money Market	$ 62,307	$ -	$ -	$ 62,307
Equities	1,572,340	-	-	1,572,340
Total	$ 1,634,647	$ -	$ -	$ 1,634,647

As of December 31, 2025 and 2024, there were no assets measured at fair value on a non-recurring basis.

Gains and losses (realized and unrealized) included in changes in net assets for the periods above are reported in investment return, net in the consolidated statements of activities.

Note 12. Contributed Non-Financial Assets

For the years ended December 31, 2025 and 2024, contributed nonfinancial assets recognized within revenue in the consolidated statements of activities included advertising, information technology services, policy assistance, and accounting services totaling $481,098 and $956,554, respectively. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions. Contributed services are valued and reported at the estimated fair value in the consolidated financial statements based on current rates for similar services.

Note 13. Income Taxes

Accounting principles generally accepted in the United States of America provide accounting and disclosure guidance about positions taken by an entity in its tax returns that might be uncertain. The Organization believes that it has appropriate support for any tax positions taken, and management has determined that there are no uncertain tax positions that are material to the consolidated financial statements.

Penalties and interest assessed by income taxing authorities, if any, would be included in general and administrative expenses.

Note 14. Subsequent Events

Management has evaluated subsequent events through the date that the consolidated financial statements were available to be issued, June 24, 2026, and determined that no events occurred that require disclosure. No subsequent events occurring after that date have been evaluated for inclusion in these consolidated financial statements.

SUPPLEMENTARY INFORMATION

THE GREATER BATON ROUGE ECONOMIC PARTNERSHIP, INC. AND
THE GREATER BATON ROUGE ECONOMIC FOUNDATION, INC. **Schedule I**
Consolidating Statement of Financial Position
December 31, 2025

	BREP	BREF	Eliminations	Total
Assets				
Current Assets				
Cash and Cash Equivalents	$ 1,069,689	$ 325,780	$ -	$ 1,395,469
Investments	1,848,821	-	-	1,848,821
Membership Dues Receivable, Net	1,500	-	-	1,500
Grants Receivable	232,603	285,331	-	517,934
Other Receivables	168,616	75	-	168,691
Due from Related Party	-	10,293,908	(10,215,630)	78,278
Prepaid Expenses	109,328	11,510	-	120,838
Total Current Assets	3,430,557	10,916,604	(10,215,630)	4,131,531
Property and Equipment, Net	2,339,297	-	-	2,339,297
Right-of-Use Assets for Operating Leases	52,556	-	-	52,556
Intangible Assets, Net	40,626	-	-	40,626
Other Assets				
Cash and Cash Equivalents - Held for Others	38,142	1,886,299	-	1,924,441
Total Other Assets	38,142	1,886,299	-	1,924,441
Total Assets	$ 5,901,178	$ 12,802,903	$ (10,215,630)	$ 8,488,451

See independent auditor's report.

THE GREATER BATON ROUGE ECONOMIC PARTNERSHIP, INC. AND
THE GREATER BATON ROUGE ECONOMIC FOUNDATION, INC. **Schedule I**
Consolidating Statement of Financial Position (Continued)
December 31, 2025

	BREP	BREF	Eliminations	Total
Liabilities				
Current Liabilities				
Funds Held in Custody	$ 38,142	$ 1,886,299	$ -	$ 1,924,441
Accounts Payable	100,774	33,697	-	134,471
Accrued Expenses	72,505	-	-	72,505
Retainage Payable	-	-	-	-
Due to Related Party	10,215,630	-	(10,215,630)	-
Current Maturities of Note Payable	54,197	-	-	54,197
Deferred Revenue	346,609		-	346,609
Refundable Advances	-	500,000	-	500,000
Operating Lease Liabilities, Current	11,134	-	-	11,134
Total Current Liabilities	10,838,991	2,419,996	(10,215,630)	3,043,357
Note Payable, Net of Deferred Financing Costs	758,084	-	-	758,084
Operating Lease Liabilities, Non-Current	41,422	-	-	41,422
Total Liabilities	11,638,497	2,419,996	(10,215,630)	3,842,863
Net (Deficit) Assets				
Without Donor Restrictions				
Undesignated	(6,245,737)	10,382,907	-	4,137,170
Designated by the Board for Reserve Fund	508,418	-	-	508,418
Total Net (Deficit) Assets Without Restrictions	(5,737,319)	10,382,907	-	4,645,588
Total Net (Deficit) Assets	(5,737,319)	10,382,907	-	4,645,588
Total Liabilities and Net (Deficit) Assets	$ 5,901,178	$ 12,802,903	$ (10,215,630)	$ 8,488,451

See independent auditor's report.

THE GREATER BATON ROUGE ECONOMIC PARTNERSHIP, INC. AND
THE GREATER BATON ROUGE ECONOMIC FOUNDATION, INC. **Schedule II**
Consolidating Statement of Activities
For the Year Ended December 31, 2025

	BREP	BREF	Eliminations	Total
Changes in Net (Deficit) Assets Without Donor Restrictions				
Revenues				
Contributions	$ 3,246,738	$ 415,000	$ -	$ 3,661,738
Contributions of Nonfinancial Assets	472,598	8,500	-	481,098
Event Admissions and Sponsorships	267,454	23,450	-	290,904
Membership Dues	633,575	-	-	633,575
Leadership Program	-	70,625	-	70,625
Grant Revenue				
City of Baton Rouge/Parish of East Baton Rouge	526,363	-	-	526,363
Louisiana Economic Development	95,062	1,080,434	-	1,175,496
Other	300,761	-	-	300,761
In-Kind Operational Contributions	-	1,484,056	(1,484,056)	-
Investment Return, Net	214,174	-	-	214,174
Interest Income	5,400	18	-	5,418
Other Income (Expense), Net	263,800	(273)	-	263,527
Total Revenues	6,025,925	3,081,810	(1,484,056)	7,623,679
Expenses				
Program Services				
Marketing	1,543,964	133,387	-	1,677,351
Business Development	638,982	883,446	-	1,522,428
Community Development and Leadership	681,333	79,712	-	761,045
Business Intelligence	206,448	171,316	-	377,764
Governmental Affairs	181,276	71,420	-	252,696
Membership Activities	3,100	-	-	3,100
Total Program Services	3,255,103	1,339,281	-	4,594,384

See independent auditor's report.

THE GREATER BATON ROUGE ECONOMIC PARTNERSHIP, INC. AND
THE GREATER BATON ROUGE ECONOMIC FOUNDATION, INC. **Schedule II**
Consolidating Statement of Activities (Continued)
For the Year Ended December 31, 2025

	BREP	BREF	Eliminations	Total
General and Administrative				
Personnel	262,629	189,821	-	452,450
Provision for Credit Losses	438,978	1,000	-	439,978
Professional Services	282,505	13,497	-	296,002
General Office	129,753	120,012	-	249,765
Occupancy	106,592	65,167	-	171,759
Travel and Hosting	7,071	46,991	-	54,062
Interest Expense	36,479	-	-	36,479
Event Expense	3,328	-		3,328
In-Kind Operational Contributions	1,484,056	-	(1,484,056)	-
Other	126,772	462,781	-	589,553
Total General and Administrative	2,878,163	899,269	(1,484,056)	2,293,376
Total Expenses	6,133,266	2,238,550	(1,484,056)	6,887,760
Change in Net Assets Without Donor Restrictions	(107,341)	843,260	-	735,919
Change in Total Net (Deficit) Assets	$ (107,341)	$ 843,260	$ -	$ 735,919

See independent auditor's report.

THE GREATER BATON ROUGE ECONOMIC PARTNERSHIP, INC. AND
THE GREATER BATON ROUGE ECONOMIC FOUNDATION, INC. **Schedule III**
Schedule of Compensation, Benefits, and Other Payments
to Agency Head
For the Year Ended December 31, 2025

Agency Head
Lori Melancon, Chief Executive Officer

Purpose	Amount
Salary	$0
Benefits - Insurance	$0
Benefits - Retirement	$0
Benefits - Taxes	$0
Car Allowance	$0
Vehicle Provided by Government	$0
Per Diem	$0
Reimbursements	$0
Travel	$0
Registration Fees	$0
Conference Travel	$0
Continuing Professional Education Fees	$0
Housing	$0
Unvouchered Expenses	$0
Special Meals	$0

*No compensation, reimbursements nor benefits were paid to the agency head from public funds.

See independent auditor's report.

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
The Greater Baton Rouge Economic Partnership, Inc. and
The Greater Baton Rouge Economic Foundation, Inc.
Baton Rouge, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States (*Government Auditing Standards*), the consolidated financial statements of The Greater Baton Rouge Economic Partnership, Inc. and The Greater Baton Rouge Economic Foundation, Inc. (the Organization) for the year ended December 31, 2025, and the related notes to the consolidated financial statements and have issued our report thereon dated June 24, 2026.

Report on Internal Control Over Financial Reporting
In planning and performing our audit, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's consolidated financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters
As part of obtaining reasonable assurance about whether the Organization's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, non-compliance with which could have a direct and material effect on the consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Mauldin & Jenkins, LLC

Baton Rouge, LA
June 24, 2026

Part I - Summary of Auditor's Results

Financial Statement Section

1. Type of Auditor's Report Issued:	Unmodified
2. Internal Control Over Financial Reporting:	
a. Material Weakness (es) Identified?	No
b. Significant Deficiency (ies) Identified?	None Reported
3. Noncompliance Material to Financial Statements Noted?	No

Federal Awards Section

Not applicable.

Part II - Financial Statement Findings Section

None.

Part III - Federal Award Findings and Questioned Costs Section

Not applicable.

Part I - Financial Statements Findings Section

Reference Number:	2024-001
Condition:	A material weakness in internal control over financial reporting is present. A material amount of revenue related to reimbursable grants was identified during audit testing that was not recorded in the period in which the expenses were incurred.
Status	Resolved.

Part II - Federal Award Findings and Questioned Costs Section

Not applicable.

MAULDIN & JENKINS
CPAs & ADVISORS

AGREED-UPON PROCEDURES REPORT

The Greater Baton Economic Partnership, Inc. and The Greater Baton Rouge Economic Foundation, Inc.

Independent Accountant's Report
On Applying Agreed-Upon Procedures

For the Period January 1, 2025 - December 31, 2025

To the Board of Directors
The Greater Baton Rouge Economic Partnership, Inc. and
The Greater Baton Rouge Economic Foundation, Inc.
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on The Greater Baton Rouge Economic Partnership, Inc. and The Greater Baton Rouge Economic Foundation, Inc.'s (the Organization) control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal year January 1, 2025 through December 31, 2025. The Organization's management is responsible for those C/C areas identified in the SAUPs.

The Organization 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 the LLA's SAUPs for the fiscal year January 1, 2025 through December 31, 2025. Additionally, the 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 findings are as follows:

1) Written Policies and Procedures

A. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories if applicable to public funds and the entity's operations:

   i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

ii. ***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.

iii. ***Disbursements***, including processing, reviewing, and approving.

iv. ***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).

v. ***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.

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

vii. ***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).

viii. ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

ix. ***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

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

xi. ***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.

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

Results: No exceptions were found as a result of this procedure.

2) Board or Finance Committee

A. 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:

   i. 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.

   ii. For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

   iii. 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.

   iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

   Results: No exceptions were found as a result of this procedure.

3) Bank Reconciliations

A. 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:

   i. 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);

   ii. 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

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

   Results: No exceptions were found as a result of this procedure.

4) Collections (excluding electronic funds transfers)

A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

   Results: No exceptions were found as a result of this procedure.

B. 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:

   i. Employees that are responsible for cash collections do not share cash drawers/registers.

   ii. 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.

   iii. 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.

   iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund custodial, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

   Results: No exceptions were found as a result of this procedure.

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

   Results: No exceptions were found as a result of this procedure.

D. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3A 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:

   i. Observe that receipts are sequentially pre-numbered.

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

   iii. Trace the deposit slip total to the actual deposit per the bank statement.

iv. Observe that 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).

v. Trace the actual deposit per the bank statement to the general ledger.

Results: No exceptions were found as a result of this procedure.

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

A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Results: No exceptions were found as a result of this procedure.

B. For each location selected under #5A 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:

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

ii. At least two employees are involved in processing and approving payments to vendors.

iii. 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.

iv. 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.

v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfers (EFT), wire transfer, or some other electronic means.

Results: No exceptions were found as a result of this procedure.

C. For each location selected under #5A 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:

i. Observe that the disbursement matched the related original itemized invoice and that supporting documentation indicates that deliverables included on the invoice were received by the entity.

ii. Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5B, as applicable.

Results: No exceptions were found as a result of this procedure.

D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

Results: No exceptions were found as a result of this procedure.

6) Credit Cards/Debit Cards/Fuel Cards/P-Cards

A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Results: No exceptions were found as a result of this procedure.

B. 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:

i. Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., itemized check receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.

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

Results: No exceptions were found as a result of this procedure.

C. Using the monthly statements or combined statements selected under #6B 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 that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Results: No exceptions were found as a result of this procedure.

D. Using the list of terminated employees obtained in Payroll and Personnel procedure #9C identify those individuals who had access to cards and randomly select 5 terminated employees (or all terminated employees with card access if less than 5) from this population. Observe evidence that the cards have been deactivated for these terminated employees. In cases where a card is shared by multiple users, obtain evidence that the terminated employees' authorization has been removed.

Results: No exceptions were found as a result of this procedure.

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

A. 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:

   i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana (doa.la/gov/doa/ost/ppm-49-travel-guide/) or the U.S. General Services Administration (www.gsa.gov).

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

   iii. Observe that 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 #1A(vii).

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

Results: No exceptions were found as a result of this procedure.

8) Contracts

A. 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:

   i. Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

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

iii. If the contract was amended (e.g., change order), observe that 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).

iv. 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 that the invoice and related payment agreed to the terms and conditions of the contract.

Results: No exceptions were found as a result of this procedure.

9) Payroll and Personnel

A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Results: No exceptions were found as a result of this procedure.

B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #9A above, obtain attendance records and leave documentation for the pay period, and:

i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).

ii. Observe that supervisors approved the attendance and leave of the selected employees or officials.

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

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

Results: No exceptions were found as a result of this procedure.

C. 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 policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

Results: No exceptions were found as a result of this procedure.

D. 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) have been paid, and any associated forms have been filed, by required deadlines.

Results: No exceptions were found as a result of this procedure.

10) Ethics

A. Using the 5 randomly selected employees/officials from procedure #9A under "Payroll and Personnel" above, obtain ethics documentation from management, and:

   i. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

   ii. Observe that 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.

   Results: This procedure is not applicable to the Organization due to the entity being a not-for-profit organization.

B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

   Results: This procedure is not applicable to the Organization due to the entity being a not-for-profit organization.

11) Debt Service

A. 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 that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

   Results: This procedure is not applicable to the Organization as it does not carry any public debt.

B. 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).

   Results: This procedure is not applicable as the Organization does not carry any public debt.

12) Fraud Notice

A. 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 as required by R.S. 24:523.

   Results: No exceptions were found as a result of this procedure.

B. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

   Results: No exceptions were found as a result of this procedure.

13) Information Technology Disaster Recovery/Business Continuity

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

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

   Results: We performed the procedure 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.

   Results: We performed the procedure 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.

   Results: We performed the procedure and discussed the results with management.

D. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in Payroll and Personnel procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

   Results: We performed the procedure and discussed the results with management.

E. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:12671. The requirements are as follows:

   i. Hired before June 9, 2020 - completed the training; and

   ii. Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

   Results: We performed the procedure and discussed the results with management.

14) Prevention of Sexual Harassment

A. Using the 5 randomly selected employees/officials from procedure #9A under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

   Results: This procedure is not applicable to the Organization due to the entity being a not-for-profit organization.

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

   Results: This procedure is not applicable to the Organization due to the entity being a not-for-profit organization.

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

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

   ii. Number of sexual harassment complaints received by the agency;

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

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

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

   Results: This procedure is not applicable to the Organization due to the entity being a not-for-profit organization.

We were engaged by the Organization 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*. We were 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, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Organization and to meet our 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 on those C/C areas identified in LLA's SAUP, and the results 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.

Mauldin & Jenkins, LLC

Baton Rouge, LA
June 24, 2026