

MOMENTUM FUND I, LP

FINANCIAL STATEMENTS
DECEMBER 31, 2024

MOMENTUM FUND I, LP
NEW ORLEANS, LOUISIANA

CONTENTS

	<u>Page(s)</u>
Independent Auditor's Report	1-2
Financial Statements	
Balance Sheet	3
Schedule of Investments	4
Statement of Income	5
Statement of Partners' Capital	6
Statement of Cash Flows	7
Notes to Financial Statements	8-11
Government Auditing Standards Reports	
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 <i>Government Auditing Standards</i> .	12-13
Other Supplementary Information	
Summary of Compensation, Benefits and Other Payments to Agency Head	14

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Momentum Fund I, LP
New Orleans, Louisiana

Opinion

We have audited the financial statements of Momentum Fund I, LP (the Fund), which comprise the balance sheet as of December 31, 2024, and the related statement of income and partners' capital, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Momentum Fund I, LP, as of December 31, 2024, and the changes in partners' capital and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Momentum Fund I, LP, 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.

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 Momentum Fund I, LPs' ability to continue as a going concern within one year after the date that the financial statements are 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 generally accepted auditing

standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 Momentum Fund I, LPs' 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 Momentum Fund I, LPs' 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated June 16, 2025, on our consideration of Momentum Fund I, LPs' internal control over financial reporting and our tests of its compliance with certain provision of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 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 Momentum Fund, LPs' internal control over financial reporting and compliance.

Metairie, Louisiana
June 16, 2025

Wegmann Dazet APC

MOMENTUM FUND I, LP
BALANCE SHEET
December 31, 2024

2024

ASSETS

Current assets	
Cash and cash equivalents	\$ 802,660
Total current assets	<u>802,660</u>
Investments	<u>775,000</u>
Total assets	<u><u>\$ 1,577,660</u></u>

LIABILITIES

Current liabilities	
Management fee payable	\$ 3,025
Capital contributions received in advance	<u>279</u>
Total liabilities	<u>3,304</u>

PARTNERS' CAPITAL

Partners' capital	<u>1,574,356</u>
Total partners' capital	<u>1,574,356</u>
Total liabilities and partners' capital	<u><u>\$ 1,577,660</u></u>

See accompanying Notes to Financial Statements.

MOMENTUM FUND I, LP
SCHEDULE OF INVESTMENTS

December 31, 2024

Private operating companies	Cost	Value	Percent of partners' capital
Centerline PIM, Inc. Series Seed Preferred, 400,000 shares	\$ 100,000	\$ 100,000	6.34%
DataHAUL, Inc. Simple Agreement for Future Equity	100,000	100,000	6.34%
Glass Half Full Inc. Series Seed Preferred, 1,149,425	400,000	400,000	25.35%
iCAN Technologies Inc. Simple Agreement for Future Equity	175,000	175,000	11.09%
Total	<u>\$ 775,000</u>	<u>\$ 775,000</u>	

See accompanying Notes to Financial Statements.

MOMENTUM FUND I, LP
STATEMENT OF INCOME
For the Year Ended December 31, 2024

	2024
Investment income	<u>\$ -</u>
Expenses	
Management fee	<u>138,143</u>
Net loss	<u><u>\$ (138,143)</u></u>

See accompanying Notes to Financial Statements.

MOMENTUM FUND I, LP
STATEMENT OF CHANGES IN PARTNERS' CAPITAL
For the Year Ended December 31, 2024

Partners' capital	
Beginning of year	\$ -
Net loss	(138,143)
Partners' capital contributions	<u>1,712,499</u>
End of year	<u><u>\$ 1,574,356</u></u>

See accompanying Notes to Financial Statements.

MOMENTUM FUND I, LP
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2024

	2024
Cash flows from operating activities:	
Net loss	\$ (138,143)
Increase in operating liabilities:	
Management fee payable	3,025
Capital contributions received in advance	<u>279</u>
Net cash used by operating activities	<u>(134,839)</u>
Cash flows from investing activities:	
Purchase of investments, net	<u>(775,000)</u>
Net cash used by investing activities	<u>(775,000)</u>
Cash flows from financing activities:	
Contributions from fund investors	<u>1,712,499</u>
Net cash provided by financing activities	<u>1,712,499</u>
Net increase in cash	802,660
Cash and cash equivalents at beginning of year	<u>-</u>
Cash and cash equivalents at end of year	<u><u>\$ 802,660</u></u>

See accompanying Notes to Financial Statements.

MOMENTUM FUND I, LP
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

1) Nature of activities

In September 2023, senior executives of The Idea Village, Inc. formed three for profit entities as part of a strategic approach to funding start-up initiatives and advancing its mission. The Idea Village Management LLC and Momentum Fund I, GP, LLC are Delaware Limited Liability Companies that are owned 100% by Idea Village, Inc. Momentum Fund I, LP (the Fund) is a Delaware Limited Partnership in which Momentum Fund 1, GP, LLC is a general partner and has a controlling interest. The purpose of establishing the entities is 1) to facilitate investment in the Idea Village accelerator companies through both private investment and the State Small Business Credit Initiative (SSBCI) program and 2) to generate revenue that can be reinvested in the Idea Village's programs and activities.

The accompanying financial statement and related footnotes present the financial position and results of operations of the Fund. These financial statements and footnotes include all transactions directly related to the Fund's operations and exclude any transactions of the parent company that are not directly associated with the Fund.

2) Summary of significant accounting policies

The significant accounting policies followed by the Fund are summarized as follows:

(a) Financial statement presentation

The Fund's policy for its reporting presentation is to prepare its financial statements on the accrual basis of accounting, which recognizes all revenues and the related assets when earned and all expenses and the related obligations when incurred.

(b) Cash and cash equivalents

All cash-related items having a maturity of three months or less from the original maturity date are classified as cash and cash equivalents.

(c) Taxes

The Fund, with the consent of its partners, has elected to be taxed under the provisions of a Partnership under the Internal Revenue Code. Under those provisions, the Fund does not pay federal or state corporate income taxes on its taxable income. Instead, the partners are liable for federal and state income taxes on their proportionate shares of the Fund's taxable income. Consequently, these financial statements do not include income tax expense or benefit for the Fund.

With few exceptions the Fund is not subject to U.S. federal and state income tax examinations by tax authorities beyond a period of three years from the filing of those returns.

(d) Use of estimates

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

(e) Concentration of credit risk

Financial instruments that potentially subject the Fund to concentrations of credit risk consist principally of cash deposits. The Fund may at times have cash on deposit at financial institutions that is in excess of federally insured limits. Accounts at each institution are insured by the Federal

MOMENTUM FUND I, LP
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

2) Summary of significant accounting policies (continued)

(e) Concentration of credit risk (continued)

Deposit Insurance Corporation (FDIC) up to certain limits. The Fund has not experienced any losses in such accounts and has no policy requiring collateral or other security to support its deposits.

(f) Capital contributions

The Fund's initial capital commitment is approximately \$6,700,000.

On January 26, 2024, the Fund issued a capital call of 10% of the initial capital commitment, amounting to \$669,999. \$575,000 of these funds were utilized to invest in two separate entities.

On June 28, 2024, the Fund management issued another capital call, this time for 15% of the initial capital commitment, in anticipation of investments in additional entities, which totals approximately \$1,005,000, of which \$200,000 of these funds were utilized to invest in two additional separate entities.

On December 5, 2024, the Fund issued a capital call of \$37,500, which had been collected as of December 31, 2024. No other capital calls have been made as of the date of the auditor's report.

All capital contributions into the Fund have been made by third-party investors, and it is presented on the balance sheet, as Partners' capital, net of the management fund fee of \$138,143.

The General Partner exercises control over the Fund, and the limited partners lack substantive influence. The General Partner has no liability for Fund losses, unless it directly invests in the Fund. As of December 31, 2024, the General Partner had no investments in the Fund. The balance sheet reflects the Fund's performance, which over time, will fluctuate with investments, gains/losses, and capital returns to investors. The Fund's investments are dedicated solely to investing activities and are not available for other purposes.

Additionally, the Fund pays a service fee to the Management Company or its affiliates. This fee is calculated at a rate of up to 1.71% per year of each Limited Partner's investment commitment. The fee is paid quarterly in advance throughout the investment term. This fee covers services provided to qualified businesses by the Management Company or its affiliates.

As of the date of this report, a total of \$1,712,499 has been received in total capital contributions.

3) Investments

At December 31, 2024, long-term investments consist of \$775,000 of equity securities in four companies.

The Fund accounts for its investments in equity of other companies, representing less than 20% ownership, using the cost method of accounting. Under this method, investments are initially recorded at their acquisition cost and subsequently carried at cost, adjusted for impairment losses if necessary. The Fund does not recognize unrealized gains or losses on these investments in its statement of income.

MOMENTUM FUND I, LP
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

4) Fair value measurement

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2 Inputs to the valuation methodology include:
- Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - Inputs other than quoted prices that are observable for the asset or liability;
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Furthermore, while the Fund believes its valuation methods are 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 following table sets forth by level, within the fair value hierarchy, the Fund's assets at fair value as of December 31, 2024:

	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Momentum Fund I, LP				
Stocks	\$ 775,000	\$ -	\$ -	\$ 775,000
	<u>\$ 775,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 775,000</u>

5) Liquidity and availability

The cash balance on the balance sheet includes \$802,660 of cash held by the Fund for investment purposes exclusively. Accordingly, this cash is not available for general use.

MOMENTUM FUND I, LP
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

6) Investment risk and uncertainties

The Fund holds various investments. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Given the level of risk associated with certain investment securities and the level of uncertainty related to the changes in the value of investment securities, it is at least reasonably possible that changes in values in the near-term could materially affect investment balances and the amounts reported in the statement of income and the balance sheet.

7) Subsequent events

Management has evaluated subsequent events through the date of the auditor's report, which is the date the financial statements were available to be issued. Through the date of this report, the Fund made additional investments of \$100,000 each, in three separate local entities. Other than these transactions, management is not aware of any other subsequent events that would require adjustment to or disclosure in the accompanying financial statements.

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
Momentum Fund I, LP
New Orleans, 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, the financial statements of the Momentum Fund I, LP, which comprise the balance sheet as of December 31, 2024, and the related statements of income and partners' capital, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon June 16, 2025

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Momentum Fund I, LP's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Momentum Fund I, LP's internal control. Accordingly, we do not express an opinion on the effectiveness of the Momentum Fund I, LP's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Momentum Fund I, LP's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests

disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity'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 Legislative Auditor as a public document.

Metairie, Louisiana
June 16, 2025

Wegmann Dazet APC

SUPPLEMENTARY INFORMATION

MOMENTUM FUND I, LP
SUMMARY OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO AGENCY HEAD
For the Year Ended December 31, 2024

SUMMARY OF COMPENSATION

Jon Atkinson
Chief Executive Officer, The Idea Village and Registered Agent,
Momentum Fund I GP, LLC (General Partner of Momentum Fund I, LP)

*None of the agency head's compensation was derived from state and/or local assistance

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2024

To the Members of the Momentum Fund I, LP
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2024 through December 31, 2024. Momentum Fund I, LP (Entity) management is responsible for those C/C areas identified in the SAUPs.

The Entity 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 period January 1, 2024 through December 31, 2024. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purpose. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - b) ***Purchasing***, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.
 - c) ***Disbursements***, including processing, reviewing, and approving.
 - d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - e) ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- h) **Credit Cards (and debit cards, fuel cards, purchase 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).
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) **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.

Procedure Results - We performed the procedures noted above and noted no exceptions.

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, at a minimum, on proprietary funds, and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the not-for-profit 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.*
 - c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

- d) 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.

Procedure Results - We performed the procedures noted above and noted no exceptions. The Entity is not a governmental entity, nor does it report on the governmental accounting model, accordingly, item b) and c) above are not applicable. The Entity does not have any audit findings, therefore, item d) above is not applicable.

Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - b) Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Procedure Results - We performed the procedures noted above and noted no exceptions.

Collections (excluding electronic funds transfers)

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

Procedure Results - Entity does not have any cash collections and accordingly, this procedure is not applicable.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees responsible for cash collections do not share cash drawers/registers.

Procedure Results - Entity does not have any cash collections and accordingly, this procedure is not applicable

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

Procedure Results - Entity does not have any cash collections and accordingly, this procedure is not applicable

- c) Each employee responsible for collecting cash is not also 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.

Procedure Results - Entity does not have any cash collections and accordingly, this procedure is not applicable

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

Procedure Results - Entity does not have any cash collections and accordingly, this procedure is not applicable

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

Procedure Results - Entity does not have any cash collections and accordingly, this procedure is not applicable.

- 7. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3 (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.
- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- c) Trace the deposit slip total to the actual deposit per the bank statement.
- d) Observe 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).
- e) Trace the actual deposit per the bank statement to the general ledger.

Procedure Results - Entity does not have any cash collections and accordingly items a), b), c), d), e) is not applicable.

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

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

Procedure Results - We performed the procedure noted above and noted no exceptions.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
 - e) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

Procedure Results - We performed the procedures above and noted no exceptions.

10. For each location selected under procedure #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
 - a) Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity.

Procedure Results - We performed the procedure noted above and noted no exceptions.

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

Procedure Results - We performed the procedure noted above and noted no exceptions.

11. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3, 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.

Procedure Results - We performed the procedures noted above and noted no exceptions.

Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)

12. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase 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.

Procedure Results – The entity does not have any credit/debit/fuel/purchase cards and accordingly, this procedure is not applicable.

13. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.
- b) Observe that finance charges and late fees were not assessed on the selected statements.

Procedure Results - The entity does not have any credit/debit/fuel/purchase cards and accordingly items a) and b) are not applicable.

14. Using the monthly statements or combined statements selected under #13 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 (e.g., each card should have 10 transactions subject to inspection). 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.

Procedure Results - The entity does not have any credit/debit/fuel/purchase cards and accordingly, this procedure is not applicable.

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

15. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

- a) If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures in procedure #1.
- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Procedure Results – The entity did not incur any travel or travel related expenditures and accordingly, items a), b), c), and d) are not applicable.

Contracts

16. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was documented approval).
- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

Procedure Results - We performed the procedures noted above and noted no exceptions.

Payroll and Personnel

17. 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.

Procedure Results – The entity does not have any personnel that receive compensation and accordingly, this procedure is not applicable.

18. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #17 above, obtain attendance records and leave documentation for the pay period, and:
- a) Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
 - b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - d) Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

Procedure Results – The entity does not have any personnel that receive compensation and accordingly, items a), b), c), and d) are not applicable.

19. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or official's cumulative leave records, agree the pay rates to the employee or official's authorized pay rates in the employee or official's personnel files, and agree the termination payment to entity policy.

Procedure Results - The entity did not have any termination payments, accordingly, this procedure is not applicable.

20. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Procedure Results - The entity does not have any personnel that receive compensation and accordingly, this procedure is not applicable.

Ethics

21. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #17 obtain ethics documentation from management, and:
- a) Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
 - b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Procedure Results - The Entity is a nongovernmental entity this section is not applicable.

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

Procedure Results - The Entity is a nongovernmental entity this section is not applicable.

Debt Service

23. 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.

Procedure Results - The Entity does not have outstanding bonds/notes and accordingly, this procedure is not applicable.

24. 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).

Procedure Results - The Entity does not have outstanding bonds/notes and accordingly, this procedure is not applicable.

Fraud Notice

25. 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.

Procedure Results - The Entity did not have misappropriations of public funds or assets during the fiscal period. Accordingly, this section is not applicable.

26. 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.

Procedure Results - The Entity did not experience any of the instances listed above. Accordingly, this section is not applicable.

Information Technology Disaster Recovery/Business Continuity

27. 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 there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
- 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, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
- 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.

Procedure Results - We performed the procedures noted above and noted no exceptions.

- 28. 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 #17. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Procedure Results - We performed the procedure noted above noting no terminations and accordingly procedure is not applicable .

- 29. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #17, 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. 42:1267. The requirements are as follows:
 - Hired before June 9, 2020 - completed the training; and
 - Hired on or after June 9, 2020 - completed the training withing 30 days of initial service or employment.

Procedure Results – The entity does not have any employed personnel and accordingly, this procedure is not applicable.

Prevention of Sexual Harassment

- 30. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #17, 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 as required by R.S. 42:343.

Procedure Results - The Entity is a nongovernmental entity this section is not applicable.

- 31. 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).

Procedure Results - The Entity is a nongovernmental entity this section is not applicable.

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

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

Procedure Results – The Entity is a nongovernmental entity this section is not applicable.

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

Metairie, Louisiana
June 16, 2025

Wegmann Dazet APC