



Luther Speight & Company, LLC
Certified Public Accountants and Consultants

JRF OUTREACH, INC.

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S

REPORT THEREON

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
JRF Outreach, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of JRF Outreach, Inc. ("JRF") (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of JRF as of December 31, 2024, 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.

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 JRF and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

New Orleans Office: 1100 Poydras Street, Suite 1225 / New Orleans, LA 70163 / (504)561-8600
Memphis Office: 1661 International Drive, Suite 441 / Memphis, TN 38120 / (901)202-4688
Atlanta Office: 1201 Peachtree St. NE, Suite 200 / Atlanta, GA 30328 / (678)971-3700

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 JRF's 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 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 JRF'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 JRF's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying *Schedule of Compensation, Benefits, and Other Payments to the Agency Head or Chief Executive Officer* is presented for purposes 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 auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information referenced above 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 August 18, 2025, on our consideration of JRF's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of JRF'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 JRF's internal control over financial reporting and compliance.

Luther Speight & Co. CPAs

Luther Speight & Company CPAs
New Orleans, Louisiana
August 18, 2025

JRF OUTREACH, INC.
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2024

ASSETS

Cash and Cash Equivalents	\$ 142,674
TOTAL ASSETS	<u>142,674</u>

LIABILITIES

Related Party Loan Payable	3,038
TOTAL LIABILITIES	<u>3,038</u>

NET ASSETS

Net Assets Without Donor Restrictions	4,049
Net Assets With Donor Restrictions	135,587
TOTAL NET ASSETS	<u>139,636</u>

TOTAL LIABILITIES & NET ASSETS	<u>\$ 142,674</u>
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The accompanying notes are an integral part of these financial statements

JRF OUTREACH, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES			
Grant Income	\$ -	\$ 762,500	\$ 762,500
Contributions	7,536	-	7,536
Releases from Restrictions	626,913	(626,913)	-
TOTAL REVENUE	<u>634,449</u>	<u>135,587</u>	<u>770,036</u>
EXPENSES			
Program Services	579,177	-	579,177
Administrative Expenses	65,121	-	65,121
TOTAL EXPENSES	<u>644,298</u>	<u>-</u>	<u>644,298</u>
CHANGE IN NET ASSETS	(9,849)	135,587	125,738
NET ASSETS - BEGINNING OF YEAR	16,938	-	16,938
NET ASSETS ADJUSTMENT	<u>(3,040)</u>	<u>-</u>	<u>(3,040)</u>
NET ASSETS - END OF YEAR	<u>\$ 4,049</u>	<u>\$ 135,587</u>	<u>\$ 139,636</u>

The accompanying notes are an integral part of these financial statements

JRF OUTREACH, LLC
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024

	PROGRAM SERVICES	ADMINISTRATIVE EXPENSES	TOTAL
Contractor Expenditures	\$ 60,709	\$ 53,550	\$ 114,259
Minigrant Expenditures	378,958	-	378,958
Program Activities	38,074	-	38,074
Food Program	10,757	-	10,757
Program Supplies & Materials	12,519	-	12,519
Program Site Locations	6,620	-	6,620
Scholarships	61,230	-	61,230
Office Expenses	5,706	10,000	15,706
Professional Services	3,350	-	3,350
Software Purchases	-	1,069	1,069
Insurance Expense	537	-	537
Travel Expense	718	-	718
Bank Charges	-	502	502
TOTAL EXPENSES	\$ 579,177	\$ 65,121	\$ 644,298

The accompanying notes are an integral part of these financial statements

JRF OUTREACH, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

CASH FLOW FROM OPERATING ACTIVITIES

Change in Net Assets	\$ 125,738
Net Assets Adjustment	(3,040)
Adjustments to Reconcile Change in Net Assets to	
Net Cash (Used) Provided by Operating Activities:	
Net Changes in Assets and Liabilities:	
Decrease in Accounts Payable	(3,462)
Net Cash Provided by Operating Activities	<u>119,236</u>

NET CHANGE IN CASH AND CASH EQUIVALENTS 119,236

BEGINNING CASH AND CASH EQUIVALENTS 23,438

ENDING CASH AND CASH EQUIVALENTS \$ 142,674

The accompanying notes are an integral part of these financial statements

JRF OUTREACH, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 – BACKGROUND AND NATURE OF OPERATIONS

JRF Outreach (JRF) was established to serve the at-risk youth in the Monroe, LA southside community, which is the most impoverished area in the city of Monroe. The organization works to support the area youth and young adults by providing assistance with the necessary educational, financial, emotional, and psychological services that they may not otherwise have access to.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Accounting

JRF financial statements are prepared on the accrual basis of accounting and in accordance with generally accepted accounting principles. The preparation of financial statements in conformity with 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.

Financial Statement Presentation

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

- Net assets without donor restrictions include funds not subject to donor-imposed stipulations. The revenues received and expenses incurred in conducting the mission of JRF are included in this category. JRF has determined that any donor-imposed restrictions for current or developing programs and activities are generally met within the operating cycle of JRF and therefore, their policy is to record those net assets as without donor restrictions. On December 31, 2024, JRF had \$4,049 in net assets without donor restrictions.

JRF OUTREACH, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Reporting (Continued)

- Net assets with donor restrictions include funds that are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. At December 31, 2024, JRF had \$135,587 in net assets with donor restrictions. These restrictions are related to the grant revenue described in Note 3.

Revenue Recognition

Contributions, including promises to give, are considered conditional or unconditional, depending on the nature and existence of any donor or grantor conditions. A contribution or promise to give contains a donor or grantor condition when both of the following are present:

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

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

JRF OUTREACH, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Revenues from government grants are recorded when JRF has a right to reimbursement under a related grant, generally corresponding to the incurring of grant related costs by JRF, or when otherwise earned under the terms of the grants. Amounts received prior to meeting the qualifying conditions and/or incurring qualifying expenditures, are reported as refundable advances in the statement of financial position. At December 31, 2024, JRF had no refundable advances.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, JRF considers all highly liquid debt instruments purchased with a maturity of three months or less redeemable without penalty for the early withdrawal, to be cash. JRF maintains, at a financial institution, cash which may exceed federally insured amounts at times.

Estimates

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

Functional Allocation of Expenses

The costs of providing various programs and supporting services have been reported on a functional basis in the statements of functional expenses. Expenses that are identified with a specific program or support service are charged directly according to the natural classification. Other shared costs have been allocated among the various programs and supporting services based on usage or other estimates made by management.

JRF OUTREACH, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 3 – GRANT REVENUE

JRF received funding from the State of Louisiana Treasury Department through Cooperative Endeavor Agreements (CEAs). The following table summarizes the revenue recognized during the fiscal year ended December 31, 2024 by program or agreement:

<u>Grantor</u>	<u>Amount</u>
State of Louisiana - Act 397 D 16	\$ 250,000
State of Louisiana - Act 397 D 34	<u>512,500</u>
	<u>\$ 762,500</u>

NOTE 4 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

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

Cash and Cash Equivalents	<u>\$ 142,674</u>
Total	<u>\$ 142,674</u>

NOTE 5 – RELATED PARTY TRANSACTIONS

As of December 31, 2024, JRF Outreach, Inc. had an outstanding payable of \$2,943 to Dr. Janet Floyd, the organization's Executive Director and President. These funds were initially provided as start-up capital for the nonprofit. A portion of the original contribution was treated as a donation, and the remaining balance is considered a loan payable.

Dr. Floyd has indicated that repayment will be deferred until the organization reaches a sustainable financial position. Repayment will occur upon advisement that such a position has been achieved.

JRF OUTREACH, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 6 – NET ASSETS ADJUSTMENT

Management determined a net asset adjustment totaling (\$3,040) was necessary to properly state beginning net assets.

NOTE 7 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the financial statements were available to be issued on August 18, 2025, and determined that no other events occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.



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

To the Board of Directors of JRF Outreach, Inc.
Monroe, 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 JRF Outreach Inc., (JRF) (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 18, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered JRF'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 financial statements, but not for the purpose of expressing an opinion on the effectiveness of JRF's internal control. Accordingly, we do not express an opinion on the effectiveness of JRF's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether JRF'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 an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and management responses as Finding #2024-001.

JRF Outreach's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on JRF's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. JRF's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Luther Speight & Co. CPAs

Luther Speight & Company
New Orleans, Louisiana
August 18, 2025

JRF OUTREACH, INC.
SUMMARY OF AUDITOR'S RESULTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Financial Statements

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

Internal Control Over Financial Reporting:

Material weaknesses identified? _____yes X no

Significant deficiencies identified
not considered to be material weaknesses? _____yes X no

Noncompliance material to financial statements noted? X yes _____no

Federal Awards

JRF did not expend more than \$750,000 in federal awards, so this section is not applicable.

JRF OUTREACH, INC.
SCHEDULE OF FINDINGS AND MANAGEMENT RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2024

FINDING 2024-001 – TIMELY SUBMISSION OF ANNUAL REPORT (NON-COMPLIANCE)

CRITERIA:

Louisiana Revised Statute 24:513 requires that Agencies receiving federal, state, or local government funding from the State of Louisiana submit an independent financial statement engagement to the Louisiana Legislative Auditor's office within six months from their fiscal year end.

CONDITION:

JRF Outreach did not complete and submit its independent audit report within the required six-month deadline. We noted JRF Outreach received a non-emergency extension from the Legislative Auditor's Office, however their regulations still require a late report audit finding be included in the report for non-emergency extensions.

CAUSE:

JRF Outreach's engagement was previously a Review/Attestation engagement but was changed to an audit due to funding levels noted during the engagement. This process caused some delays in audit preparation and meeting audit data requirements.

EFFECT:

Late submission can cause the auditee to be put on the Legislative Auditor's non-compliance list and can result in withholding funding to the auditee. However, since JRF Outreach was approved for a non-emergency extension, they were not placed on the non-compliance list.

RECOMMENDATION:

JRF Outreach should closely evaluate grant funding level requirements each year to assure the proper audit requirements and deadlines are determined.

MANAGEMENT RESPONSE:

Policies and procedures have been updated to ensure proper audit requirements and deadlines are determined, resulting in timely report submission.

JRF OUTREACH, INC.
STATUS OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2024

There were no reportable findings in the prior year.

JRF OUTREACH, INC.
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO THE
AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED DECEMBER 31, 2024

Agency Head Name: Ms. Janet Floyd, Executive Director/President

Purpose	Amount
Salary	\$19,999.98**
Benefits-insurance	
Benefits-retirement	
Benefits-other	
Car allowance	
Vehicle provided by government	
Per diem	
Reimbursements	
Travel	
Registration fees	
Conference travel	
Continuing professional education fees	
Housing	
Unvouchered expenses*	
Special meals	

**\$13,353.09 paid out in 2024 included in Contractor Expenditures in the Statement of Functional Expenses; remaining amount paid in 2025.



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JRF OUTREACH

AGREED-UPON PROCEDURES REPORT

FOR THE YEAR ENDED DECEMBER 31, 2024



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INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the JRF Outreach
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. JRF Outreach' management is responsible for those C/C areas identified in the SAUPs.

JRF Outreach has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2024 through December 31, 2024. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

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

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

Results: *We did not observe any evidence that the written policies and procedures appropriately address preparing, adopting, monitoring, and amending the budget.*

Management's Response: *Daily practice budgeting is not detailed out in policies and procedures, but adhered to daily financial practices as follows:*

- *Budget is prepared by funding manager and executive director*
- *The initial draft is presented to board, adopted and authority to accept budget is given to executive director*

- *Execution of budget, CEAs and other engagement contracts are handled through executive director and/or funding manager as authorized by board*
 - *Monitoring of budget is provided through funding manager with oversight by Executive Director every quarter*
 - *The budget is adhered to as remitted and will be added as addendum; any amendments outside of previous authorization will be presented back to Board for authorization*
- b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

Results: *The policies and procedures appropriately address how purchases are initiated and the preparation and approval process of purchase requisitions and purchase orders. However, they do not address how vendors are added to the vendor list, controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.*

Management's Response: *In response to your inquiry regarding adherence to the Louisiana Public Bid Law, management confirms that JRF Outreach Inc. has not made any single purchase of materials or supplies that meets or exceeds the public bid threshold of \$60,000, as established in Louisiana Revised Statute 38:2212.1.*

Additionally, JRF Outreach Inc. has not engaged in any procurement activity requiring the formal solicitation of competitive bids through advertising, nor have we made any purchases between \$30,000 and \$60,000 that would require obtaining and documenting three quotes in accordance with the law.

Vendors are presented at the onset of program parameters and are not subject to bid, and all purchases are subject to approval by funding manager to comply with allowable expenses. The state approval process is followed to ensure expenses are allowed.

We remain committed to maintaining compliance with all applicable procurement regulations and will continue to monitor all purchasing activities to ensure alignment with statutory requirements.

JRF Outreach Inc. does not maintain an internal vendor list for the procurement of goods or services. At this time, our procurement needs have not required formal bidding or vendor list utilization.

However, should the need arise to procure goods or services in the future, we are committed to adhering to the requirements and recommendations set forth in the Louisiana Public Bid Law (La. R.S. 38:2211 et seq.), including those provisions related to vendor selection, the use of State Contract vendor lists, and applicable thresholds for competitive procurement.

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

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

- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

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

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

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

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

Results: *We were unable to observe any policies and procedures that appropriately address the required elements above.*

Management's Response: *JRF Outreach requires that any person to which payments are made for services, temporary or one-time, are required to execute an independent contract agreement or contract of services for the term of service. However, at this time we do not hold agreements for any ongoing services. All Professional Contractors are required to remit a contract of services or independent contracts as well.*

Terms and conditions of services are spelled out in contract for service. All contract and/or legal language documents are reviewed by Executive Director, who has legal background and authority for review. Approval of contracts are entered into at the beginning of budget term and/or at the time presentations are made. Funding manager and/or Executive Director reviews requests for services to ensure the project for services are in line with programmatic guidelines; approved and awarded.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)

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

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

Results: *The policies and procedures appropriately address allowable expenses and documentation requirements but did not observe any policies regarding dollar thresholds by category of expense or required approvers.*

Management's Response: *JRF Outreach does not allow travel reimbursement at this time, as the sources and projects do not warrant travel expenses. There are no travel policies in place. There are no dollar amount thresholds requirements. We do have reimbursements for other expenses which are procedurally practiced and can be detailed in addendum to policy manual. All expenses require initial approval by funding manager prior to purchase, vendors and/or coordinators must produce receipts for program needs only, and any sponsorship or budget for requested expense. All expenses must be verified.*

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

Results: *Not applicable as the Entity is non-profit.*

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

Results: *Not applicable as the Entity is non-profit.*

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

Results: *We did not observe any policies and procedures that address the required elements above.*

Management's Response: *JRF Outreach have outsourced its management and financial bookkeeping and accountant review. These entities have the proper backup procedures in place through each particular business service, One Drive and cloud storage. Financial data is backed up through financial software program and account is updated at least every two days. Computer anti-virus programs are in place for all outsourced companies to include anti-virus protection software. At the close of fiscal year period, an external hard*

drive is housed at JRF Outreach site and storage location. Other disaster recovery methods will be present to Board and implement should as it is deemed vital.

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

***Results:** Not applicable as the Entity is non-profit.*

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 meets with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

***Results:** We observed that the board met with a quarterly quorum. No exceptions noted.*

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

***Results:** We observed that the minutes referred to financial activity relating to public funds. No exceptions noted.*

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

***Results:** Not applicable as the Entity is non-profit.*

- 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.

***Results:** We have been able to observe that the board met with a quorum monthly. No exceptions noted.*

Bank Reconciliations

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

Results: *We obtained the listing from management, and management's representation that the listing is complete. We randomly selected one month from the fiscal period for testing and performed the procedures below.*

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

Results: *We noted that the bank and book balances were properly reconciled for the selected account. However, we noted that the reconciliation was not prepared within 2 months of the statement's closing date.*

Management's Response: *JRF Outreach currently has one general bank account and no other financial accounts. Account access is through funding manager, executive director and external accountant that does not handle cash or issue checks. Transactions for accounts are handled by funding manager and reviewed by Executive Director. An external accountant reviews and maintains transaction details provided through funding manager. An entry error placed the account in status that would not allow computer reconciliation; however, manual reconciliation was practiced regularly and allowed account to return to status to perform proper reconciliation.*

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

Results: *We were unable to observe proper evidence of approval by a member of management who does not handle cash, post ledgers, or issue checks.*

Management's Response: *An external accountant reviews and approves bank reconciliations, who does not handle cash or issue checks. These reviews are outsourced to ensure that accounts maintain current accounting and checked regularly for any unusual or unknown activity.*

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

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

Collections

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

Results: *We maintained management's representation that they do not have any collection sites. All income is received via EFT.*

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

Results: *Not applicable as JRF Outreach does not have any collection sites. All income is received via EFT.*

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

Results: *Not applicable as the Entity does not collect cash on-site.*

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

Results: *Not applicable as the Entity does not collect cash on-site.*

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

Results: *Not applicable as the Entity does not collect cash on-site.*

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

Results: *Not applicable as the Entity does not collect cash on-site.*

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

Results: *Not applicable as the Entity does not have employees.*

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under “Bank Reconciliations” above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
 - e) Trace the actual deposit per the bank statement to the general ledger.

Results: *No exceptions noted.*

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

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

Results: *We maintained management’s representation that all payments processed are made via EFT.*

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

Results: *Not applicable as the Entity does not have employees.*

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:
- a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
 - b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Results: *We noted the original invoice/billing and all the supportive information matched up with no exceptions.*

11. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3(a), 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: *We observed 5 randomly selected non-payroll disbursements and noted no exceptions.*

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

12. 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: *Not applicable as the Entity does not have any credit cards.*

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

Results: Not applicable as the Entity does not have any credit cards.

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

Results: Not applicable as the Entity does not have any credit cards.

14. Using the monthly statements or combined statements selected under #9 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

Results: Not applicable as the Entity does not have any credit cards.

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:

Results: Not applicable as the Entity does not have any employees and made no travel reimbursements.

- a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

Results: *Not applicable as the Entity does not have any employees and made no travel reimbursements.*

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

Results: *Not applicable as the Entity does not have any employees and made no travel reimbursements.*

- c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

Results: *Not applicable as the Entity does not have any employees and made no travel reimbursements.*

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

Results: *Not applicable as the Entity does not have any employees and made no travel reimbursements.*

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.

Results: *Not applicable as the Entity did not engage any contracts in 2024.*

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

Results: *Not applicable as the Entity did not engage any contracts in 2024.*

- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).

Results: *Not applicable as the Entity did not engage any contracts in 2024.*

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

Results: *Not applicable as the Entity did not engage any contracts in 2024.*

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.

Results: *Not applicable as the Entity does not have employees.*

18. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.
 - c) Observe 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 agree to the authorized salary/pay rate found within the personnel file.

Results: *Not applicable as the Entity does not have employees.*

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 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: *Not applicable as the Entity does not have employees.*

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.

Results: Not applicable as the Entity does not have employees.

Ethics

21. **Results:** *Not applicable as the Entity is non-profit.*

Debt Service

22. **Results:** *Not applicable as the Entity is non-profit.*

Fraud Notice

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Results: Management confirmed that there were no misappropriations of public funds and assets during the fiscal period.

24. 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: We were unable to observe evidence that the Entity has the required notice posted on its premises or website.

Management's Response: *JRF Outreach currently does not use a website as a form of notice. However, the required notice moving forward will be posted at 211 Hudson Lane, Monroe, LA 71201 and at its second site location at 603 North 3rd Street, Suite A, West Monroe, LA 71291.*

Information Technology Disaster Recovery/Business Continuity

25. 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.*

- 26. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in 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.*

Sexual Harassment

- 27. **Results:** *Not applicable as the Entity is non-profit.*

We were engaged by JRF Outreach 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 JRF Outreach 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.

Luther Speight & Co. CPAs

Luther Speight & Company CPAs
New Orleans, Louisiana
August 18, 2025