



Luther Speight & Company, LLC
Certified Public Accountants and Consultants

LOUISIANA CHAMBER OF COMMERCE FOUNDATION, INC.

AUDITED FINANCIAL STATEMENTS

WITH INDEPENDENT AUDITOR'S REPORT

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2024

WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2023

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor’s Report	1
Financial Statements	
Statement of Financial Position – As of December 31, 2024 With Comparative Totals for December 31, 2023	4
Statement of Activities and Changes in Net Assets – For the Year Ended December 31, 2024 with Summarized Comparative Totals for the Year Ended December 31, 2023	5
Statement of Functional Expenses – For the Year Ended December 31, 2024 with Summarized Comparative Totals for the Year Ended December 31, 2023	6
Statement of Cash Flows – For the Year Ended December 31, 2024 with Comparative Totals for the Year Ended December 31, 2023	7
Notes to the Financial Statements	8
Supplementary Information	
Schedule of Expenditures of Federal Awards – For the Year Ended December 31, 2024	19
Notes to the Schedule of Expenditures of Federal Awards	20
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>	21
Independent Auditor’s Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance	23
Schedule of Findings and Questioned Costs	26
Status of Prior Year Findings	33
Schedule of Compensation, Benefits, and Other Payments to Agency Head – For the Year Ended December 31, 2024	34
Management’s Corrective Action Plan	35



Luther Speight & Company, LLC
Certified Public Accountants and Consultants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Louisiana Chamber of Commerce Foundation, Inc.
New Orleans, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Louisiana Chamber of Commerce Foundation, Inc. (a nonprofit organization) ("LCCF"), 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 present fairly, in all material respects, the financial position of LCCF 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 LCCF 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.

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 LCCF'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 LCCF'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 LCCF'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 expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 schedule of expenditures of federal awards 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 February 26, 2026 on our consideration of LCCF'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 LCCF'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 LCCF's internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited LCCF's 2023 financial statements, and we expressed a modified audit opinion on those audited financial statements in our report dated February 18, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Luther Speight & Co. CPAs

Luther Speight & Company CPAs
New Orleans, Louisiana
February 26, 2026

LOUISIANA CHAMBER OF COMMERCE FOUNDATION, INC.
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2024
WITH COMPARATIVE TOTALS AS OF DECEMBER 31, 2023

	2024	2023
ASSETS		
Cash and Cash Equivalents	\$ 237,900	\$ 821,625
Investments	994,557	1,456,103
Grants Receivable	748,943	279,476
Accounts Receivable	-	25,307
Right-of-Use Lease Asset	99,167	-
Fixed Assets, Net	6,503,454	5,864,615
TOTAL ASSETS	8,584,021	8,447,126
LIABILITIES		
Accounts Payable	39,583	23,218
Notes Payable	-	500,000
Deferred Revenue	814,739	1,998,256
TOTAL LIABILITIES	854,322	2,521,474
NET ASSETS		
Without Donor Restrictions	7,729,699	5,925,652
With Donor Restrictions	-	-
TOTAL NET ASSETS	7,729,699	5,925,652
TOTAL LIABILITIES & NET ASSETS	\$ 8,584,021	\$ 8,447,126

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

LOUISIANA CHAMBER OF COMMERCE FOUNDATION, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024
WITH SUMMARIZED COMPARATIVE TOTALS
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>2024</u>			<u>2023</u>
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	<u>Total</u>
REVENUE AND OTHER SUPPORT				
Grant Income	\$ 3,091,598	\$ -	\$ 3,091,598	\$ 339,958
Contributions and Public Support	454,308	-	454,308	1,031,811
Other Income	5,548	-	5,548	25,335
In-Kind Donations - Rent	17,405	-	17,405	-
Interest Income	-	-	-	13,468
Investment Income	88,042	-	88,042	-
TOTAL REVENUE AND OTHER SUPPORT	<u>3,656,901</u>	<u>-</u>	<u>3,656,901</u>	<u>1,410,572</u>
EXPENSES				
Program Services	1,172,005	-	1,172,005	995,591
Fundraising Expenses	188,481	-	188,481	163,586
Management and General	959,561	-	959,561	217,515
TOTAL EXPENSES	<u>2,320,047</u>	<u>-</u>	<u>2,320,047</u>	<u>1,376,692</u>
CHANGE IN NET ASSETS	1,336,854	-	1,336,854	33,880
NET ASSETS, BEGINNING OF YEAR	5,925,652	-	5,925,652	5,891,772
NET ASSETS ADJUSTMENT	<u>467,193</u>	<u>-</u>	<u>467,193</u>	<u>-</u>
NET ASSETS, END OF YEAR	<u>\$ 7,729,699</u>	<u>\$ -</u>	<u>\$ 7,729,699</u>	<u>\$ 5,925,652</u>

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

LOUISIANA CHAMBER OF COMMERCE FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
WITH SUMMARIZED COMPARATIVE TOTALS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Program Services	Fundraising	Management and General	2024 Total	2023 Total
Salaries and Wages	\$ 393,834	\$ 10,185	\$ 51,116	\$ 455,135	\$ 343,282
Payroll Taxes	33,528	-	-	33,528	26,263
Fringe Benefits	72,746	-	-	72,746	27,500
Professional Services	381,828	58,234	286,117	726,179	411,561
Accounting	-	-	112,508	112,508	19,550
Legal Expense	-	-	22,595	22,595	4,195
Chamber Support	21,228	119,562	-	140,790	24,663
Office Expenses	-	-	133,456	133,456	51,219
Advertising Expense	21,987	-	451	22,438	20,904
Occupancy Expense	15,735	-	175,652	191,387	21,398
Insurance Expense	750	-	9,397	10,147	1,439
Information Technology	58,277	-	4,067	62,344	27,518
Conferences, Convention and Meetings	54,314	-	28,086	82,400	54,118
Travel & Training Expense	6,733	500	72,504	79,737	121,715
Charitable Contributions	6,651	-	-	6,651	4,861
In-Kind Expense	-	-	17,405	17,405	-
Membership, Dues and Subscription	6,592	-	-	6,592	13,191
Professional Development	-	-	-	-	9,945
Other Expenses	-	-	-	-	11,447
Depreciation Expense	-	-	-	-	135,385
Farming Expense	97,692	-	-	97,692	-
Event Expense	-	-	-	-	45,765
Taxes and Licenses	110	-	46,207	46,317	773
Total Expenses	\$ 1,172,005	\$ 188,481	\$ 959,561	\$ 2,320,047	\$ 1,376,692

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

LOUISIANA CHAMBER OF COMMERCE FOUNDATION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 1,336,854	\$ 33,880
Net Assets Adjustment	467,193	-
PY Fixed Asset Adjustment	(46,146)	-
PY Note Payable Adjustment	(500,000)	-
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by/(Used by) Operating Activities:		
Depreciation	-	135,385
Amortization of ROU Lease Asset	2,833	-
Cash Paid for Prepaid Lease (ROU Asset)	(102,000)	-
(Increase)/Decrease in Operating Assets:		
Grants Receivable	(469,467)	(279,476)
Account Receivable	25,307	(25,307)
Increase/(Decrease) in Operating Liabilities:		
Accounts Payable	16,365	22,667
Deferred Revenue	(1,183,517)	1,998,256
NET CASH PROVIDED BY/(USED BY) OPERATING ACTIVITIES	(452,578)	1,885,405
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(592,693)	-
(Purchase)/Sale of Investments, Net	461,546	(1,456,103)
NET CASH USED BY INVESTING ACTIVITIES	(131,147)	(1,456,103)
NET CHANGE IN CASH AND EQUIVALENTS	(583,725)	429,302
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	821,625	392,323
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 237,900	\$ 821,625

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

LOUISIANA CHAMBER OF COMMERCE FOUNDATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS

Louisiana Chamber of Commerce Foundation, Inc. (LCCF) was established in 2018 as a nonprofit organization. The purposes of LCCF are to:

- Help drive the economic growth of Louisiana by empowering and sustaining the BIPOC business community through the development of local chambers.
- Engage public and private sector partners in providing BIPOC businesses access to procurement opportunities, a network of strong BIPOC chambers of commerce, technical assistance that build their capacity, and advocacy for BIPOC business growth and development.
- Serve as a liaison and connector between state and municipal agencies focused on policy, outreach, and small business utilization and the state’s Black business communities.

LCCF has quickly established itself as the go-to resource for Black business development and growth in Louisiana. In 2019, LCCF entered into a Cooperative Endeavor Agreement (CEA) with the State of Louisiana through the Louisiana Economic Development (LED) to extend the reach of LED’s Small Business Programming into the Black business community. Under this CEA, LCCF has engaged hundreds of BIPOC-owned businesses and strengthened BIPOC chambers of commerce.

A description of some of LCCF’s programs is as follows:

Business Innovation Program: This program provides a variety of technical and training support for Black-owned businesses to mitigate common barriers to success, including human resources, legal services, financial support, accounting, and how to move key business aspects—including commerce—online. In 2021, the organization received funding from the AARP Foundation to support the implementation of its Business Innovation Program to older small business owners across the state.

Chamber of Commerce Growth Initiative: CCGI is a comprehensive program that trains, supports, and increases the capacity of BIPOC Chamber of Commerce leaders. With a well-designed scope and sequence for training and leadership development, along with key staff responsible for providing guidance for Chamber leaders who receive technical assistance for the creation and development of BIPOC Chambers of Commerce, administrative and fundraising support, advocacy designed to lead to contracts and working capital for BIPOC-owned businesses, virtual and in-person business education for their members, and high-quality business networking events.

LOUISIANA CHAMBER OF COMMERCE FOUNDATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS (CONTINUED)

AgriAquaculture Center of Excellence: LCCF operates the AgriAquaculture Center of Excellence, a program dedicated to advancing sustainable agriculture through an innovative closed-loop aquaponics system that produces fresh, locally grown lettuce and other vegetation. The center integrates aquaculture and hydroponics by using channel catfish to generate natural fertilizer, which is converted through advanced filtration and bacterial processes into nutrient-rich water that supports plant growth in deep-water culture ponds. In addition to promoting environmentally responsible food production, the program serves as a workforce development and training hub, offering education in aquaponics, sustainable farming practices, and technical skills that strengthen local food systems and support community resilience.

Clean Energy: LCCF operates a Clean Energy program designed to expand access to clean-energy business opportunities for small and locally owned businesses in underserved Louisiana communities. The program focuses on fostering workforce development, facilitating procurement opportunities, and supporting partnerships with public agencies, private industry, and national organizations to strengthen business capacity and create high-quality jobs. In collaboration with initiatives such as the LEMOINE Outreach & Opportunity Program (LOOP), the program provides technical assistance, outreach, and guidance to help local businesses participate in emerging clean-energy projects, including the federally funded effort to plug thousands of orphaned oil and gas wells across the state—an effort aimed at reducing environmental hazards while generating substantial economic opportunity.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

LCCF's basic financial statements consist of the statement of financial position, statement of activities, statement of functional expenses, and cash flows. The statements are prepared in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets, 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 estimated.

LOUISIANA CHAMBER OF COMMERCE FOUNDATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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, LCCF 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 LCCF are included in this category. LCCF has determined that any donor-imposed restrictions for current or developing programs and activities are generally met within the operating cycle of LCCF and therefore, their policy is to record those net assets as without donor restrictions.
- 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 that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. 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.

Revenue Recognition

LCCF follows the guidance of Accounting Standards Update 2018-08, *Not-For-Profit Entities (Topic 958): Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*, in evaluating whether grants and contributions are conditional or unconditional and whether they should be accounted for as contributions or as exchange transactions. Grants and contributions are recognized as revenue when they are unconditional, or when any barriers to entitlement are overcome and right-of-return or release-from-obligation provisions no longer apply. Conditional grants and contributions are not recognized until conditions are substantially met; amounts received in advance of meeting such conditions are recorded as refundable advances or deferred revenue. Unconditional contributions are recorded as without donor restrictions unless donor-imposed restrictions limit their use, in which case they are reported as with donor restrictions.

LOUISIANA CHAMBER OF COMMERCE FOUNDATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (continued)

Restricted contributions whose donor restrictions are met in the same reporting period are reported as revenue without donor restrictions. Contributions promised in the future are recognized at fair value when the promise is made, provided the promise is unconditional. Government and private grants that represent exchange transactions are recognized as revenue as eligible costs are incurred under the terms of the agreement.

Functional Allocation of Expenses

The costs of providing various program 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 program and supporting services based on usage or other estimates made by management.

Cash and Cash Equivalents

For purposes of reporting cash flows, cash consists of cash and cash equivalents. LCCF considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Advertising Expense

Advertising costs are expensed as incurred. At December 31, 2024, LCCF incurred \$22,438 in advertising expenses.

Fixed Assets

Fixed asset purchases in excess of \$5,000 are capitalized and stated at cost at the date of acquisition or fair value at the date of donation if donated. Depreciation associated with the fixed asset will be calculated based on its useful life using a straight-line depreciation method. The depreciation expense will be recorded in the financial records of the organization.

Leases

LCCF determines if a contract contains a lease when the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. If applicable, upon lease commencement LCCF would recognize a right-of-use (“ROU”) asset and a corresponding lease liability. Operating leases, if any, would be included in Operating Lease ROU Asset and Operating Lease Liability on the accompanying balance sheet. Finance leases, if any, would be included in property and equipment and Finance Lease Liability. LCCF evaluates the total lease term by considering the non-cancelable lease period together with any renewal or termination options that are reasonably certain to be exercised. Lease agreements generally do not contain material residual value guarantees or restrictive covenants.

LOUISIANA CHAMBER OF COMMERCE FOUNDATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

LCCF is a non-profit corporation that is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Contributions to LCCF are deductible under section 170 of the Code. LCCF is qualified to receive tax deductible bequests, devises, transfers, or gifts under Section 2055, 2106, or 2522 of the Code. Organizations exempt under section 501(c)(3) of the IRS Code are further classified as either a public charity or private foundation. The IRS has determined that LCCF is a public charity under the Code section 170(b)(1)(a)(vi). LCCF did not pay any federal income tax for the year ended December 31, 2024. LCCF files an exempt organization return in the U.S. federal jurisdiction.

Contributed Nonfinancial Assets

LCCF recognizes contributed nonfinancial assets, including donated services, materials, supplies, use of facilities, and other in-kind contributions, at fair value on the date they are received. In accordance with ASU 2020-07, these contributions are presented separately in the statement of activities and are disclosed with qualitative information regarding their valuation methods, related donor restrictions, and how the contributed assets were utilized in program or supporting activities. Fair value measurements are based on market participant assumptions and applied using observable inputs when available.

Recent Accounting Pronouncements

There are no recently issued accounting pronouncements that have a significant impact on LCCF's financial statements for the year ended December 31, 2024.

NOTE 3 – CONCENTRATIONS OF CREDIT RISK

LCCF's credit risks relate primarily to cash and cash equivalents. Cash and money market funds are maintained at various financial institutions. Accounts are insured by the Federal Deposit Insurance Corporation up to an aggregate of \$250,000 per financial institution. At times, deposits may exceed these insured limits. LCCF maintains its cash with high quality financial institutions which LCCF believes limits these risks. At December 31, 2024, LCCF's bank balances did not exceed the FDIC-insured limit.

LOUISIANA CHAMBER OF COMMERCE FOUNDATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 4 – LIQUIDITY AND AVAILABILITY OF RESOURCES

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	\$ 237,900
Investments	994,557
Grants Receivable	748,943
Less Net Assets With Donor Restrictions	-
Total Financial Assets Available	
Within One Year	\$ 1,981,400

NOTE 5 – GRANTS RECEIVABLE

At December 31, 2024 grants receivable consisted of outstanding funding from the Minority business Development Agency for the Access to Capital and Economic Equity (ACEE) Program. Grants receivable as of December 31, 2024 and 2023 are as follows:

<u>Grantor</u>	<u>2024</u>	<u>2023</u>
Minority Business Development Agency	\$ 748,943	\$ -
H2 the Future	-	6,178
USDA Alexandria	-	22,405
USDA Bastrop	-	32,181
Office of Louisiana Economic Development	-	71,038
Economic Development Administration (EDA)	-	71,847
Delta Regional Authority	-	75,827
Total	\$ 748,943	\$ 279,476

NOTE 6 – ACCOUNTS RECEIVABLE

LCCF did not have an outstanding accounts receivable balance as of December 31, 2024. The beginning balance totaling \$24,306 consisted of an outstanding balance from New Orleans and Company, which was received during the year ended December 31, 2024.

LOUISIANA CHAMBER OF COMMERCE FOUNDATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 7 – INVESTMENTS

Investments consist primarily of certificates of deposit accounts. Investments are reported at fair value and are composed of the following at December 31, 2024:

	Carrying Value	Fair Value
Certificates of Deposit	\$ 994,557	\$ 994,557
Totals	\$ 994,557	\$ 994,557

Interest income is reported in the statement of activities and consists of interest earned on the CDs. Total interest income for the year ended December 31, 2024 was \$58,340.

NOTE 8 – FAIR VALUE MEASUREMENTS

LCCF adopted FASB ASC 820, *Fair Value Measurements and Disclosures*, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. FASB ASC 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that LCCF can access.

Level 2: Observable inputs other than level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

LCCF’s investments are classified as Level 2 within the fair value hierarchy. There have been no changes in the methodologies used at December 31, 2024. The carrying amount is a reasonable estimate of fair value for cash and cash equivalents.

LOUISIANA CHAMBER OF COMMERCE FOUNDATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 8 – FAIR VALUE MEASUREMENTS (CONTINUED)

Fair values of investments measured at December 31, 2024 are as follows:

Recurring Fair Value Measurements:	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Certificates of Deposit	\$ -	\$ 994,557	\$ -	\$ 994,557
Total Recurring Fair Value Measurements	\$ -	\$ 994,557	\$ -	\$ 994,557

NOTE 9 - CONTINGENCIES

LCCF is subject to possible examinations by regulatory agencies who determine compliance with laws and regulations governing grants provided to LCCF. These examinations may result in required refunds by LCCF to agencies and/or program beneficiaries.

NOTE 10 – RELATED PARTY TRANSACTIONS

During August 2024, LCCF entered into a lease agreement with an entity whose President also serves as LCCF’s Chief Executive Officer for a building designated for use as the AgriAquaculture Center of Excellence (see Note 1). During the year ended December 31, LCCF prepaid \$102,000 in lease payments, representing 12 years of lease costs. Comparative real estate analyses were conducted to support the determination of the lease payment amount. The lease agreement was reviewed and approved by LCCF’s Board of Directors during a regularly scheduled quarterly meeting. Refer to Note 11 for additional information and related disclosures regarding the lease.

NOTE 11 – LEASES

LCCF leases office space located at 2020 St. Charles Avenue in New Orleans, Louisiana. The term of this lease is month-to-month, beginning on October 1, 2023 and ending December 31, 2024. Monthly rent for this office space is \$0, as the space is donated. The donated rent is recorded as an in-kind donation and in-kind expense totaling \$17,405 for the year ended December 31, 2024.

LCCF also leases office space at a co-working business center located in Lake Charles, Louisiana. The term of the lease is month-to-month, beginning on May 8, 2023. The agreement continues until either party gives notice of at least thirty (30) days from the next payment date. Monthly rent for this office space is \$600. It is LCCF’s policy not to recognize right-of-use assets and lease liabilities for short-term (12 months or less) leases. Thus, LCCF did not apply lease guidance in FASB ASC 842, *Leases*, to this lease agreement during 2024.

**LOUISIANA CHAMBER OF COMMERCE FOUNDATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 11 – LEASES (CONTINUED)

LCCF entered into a lease agreement to occupy premises located at 651 Leson Ct., Harvey, Louisiana, beginning August 27, 2024. Under the agreement, LCCF is obligated to pay annual base rent of \$8,500 for the use of the premises.

In connection with this agreement, LCCF prepaid \$102,000 to the landlord at or before lease commencement, representing 12 years of base rent. Under ASC 842, prepaid rent is not recorded as a separate asset; instead, it is incorporated into the right-of-use (ROU) asset, and the lease liability excludes amounts paid at or before commencement. This results in LCCF recognizing an ROU asset with no corresponding lease liability because no future payments remain unpaid.

Although the written lease automatically renews on a year-to-year basis, LCCF evaluated the enforceable term in accordance with ASC 842. Considering the significant economic penalty implied by the 12-year prepayment, management determined that the lease has an enforceable noncancelable term of 12 years. The lease is classified as an operating lease under ASC 842.

Supplemental balance sheet information related to the lease was as follows:

Operating Lease

Right-of-Use Lease Asset	\$ 102,000
Accumulated Amortization	<u>(2,833)</u>
Right-of-Use Lease Asset, Net	<u><u>\$ 99,167</u></u>

Current Portion of Lease Liability	\$ -
Long-Term Portion of Lease Liability	<u>-</u>
Total Lease Liability	<u><u>\$ -</u></u>

Other Information

Weighted Average Remaining Lease Term in Years for Lease	11.67
Weighted Average Discount Rate for Lease	N/A

Since all payments for the lease term were made at or before commencement, LCCF has no remaining undiscounted lease payments and therefore reports no lease liability under ASC 842. For each full year of the remaining lease term, LCCF will recognize annual lease expense of \$8,500 until the ROU asset is fully amortized at the end of year 12.

LOUISIANA CHAMBER OF COMMERCE FOUNDATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 11 – LEASES (CONTINUED)

For the year ended December 31, 2024, LCCF recognized \$15,735 in lease expense, which is included in Occupancy Expense on the statement of functional expenses, and \$17,405 in In-Kind Rent Expense.

NOTE 12 – FIXED ASSETS

During a prior year LCCF received land and buildings via an Act of Donation from a private entity. The donations were recorded at fair market value at the time of the donation. As of December 31, 2024, the building was not fully functional and is included Construction in Progress. Additional expenses will be necessary to bring the building up to code and be able to be used for operations.

Additionally, during the year ended December 31, 2024, LCCF started the AgriAquaculture Center of Excellence, which required the purchase of various equipment for an innovative closed-loop aquaponics system that produces fresh, locally grown lettuce and other vegetation. During the year ended December 31, 2024, LCCF incurred \$503,454 in expenses for that project, which are recorded in construction in progress.

As of December 31, 2024, fixed assets, net consisted of the following:

Land	\$ 720,000
Construction in Progress	<u>5,783,454</u>
Total Fixed Assets	<u>\$ 6,503,454</u>

There was no depreciation expense recorded during the year ended December 31, 2024, as LCCF had no depreciable fixed assets.

NOTE 13 – DEFERRED REVENUE

LCCF received \$1,998,256 from the Small Business Association (SBA) in 2023. The funds are designated for specific project activities. Accordingly, those funds are recorded as deferred revenue in the statement of financial position until qualifying expenses are incurred. Those funds, when expended in subsequent periods, will be considered federal expenditures and subject to single audit requirements (if over the single audit threshold. During the year ended December 31, 2024, \$1,183,517 of the funds were expended and reclassified to revenue. At December 31, the balance in deferred revenue was \$814,739.

LOUISIANA CHAMBER OF COMMERCE FOUNDATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 14 – IN-KIND DONATIONS

LCCF contributed non-financial assets consisted of the free use of office space. This office is utilized in carrying out LCCF's program services and are not monetized prior to use. For the year ended December 31, 2024, the estimated fair value of contributed use of facilities was \$17,405. These amounts are reported as in-kind donations in the statement of activities and a corresponding in-kind expense in the statement of functional expenses.

NOTE 15 – NOTE PAYABLE REMOVAL

During the year ended December 31, 2024, management determined that the \$500,000 Notes Payable recorded in prior periods did not represent a valid liability. The obligation originated from the 2023 Act of Donation agreement for the Bundy Road building, which referenced a promissory note payable to the donor. Management confirmed that no promissory note was executed and that there is no enforceable obligation. The removal of this liability was recorded by management in LCCF's books during the current year as a net asset adjustment.

NOTE 16 – NET ASSETS ADJUSTMENT

During the year ended December 31, 2024, net asset adjustments totaling \$467,193 were necessary to properly state beginning net assets. A portion of the adjustment is related to the note payable removal mentioned in Note 15 and the remaining amount is related to prior year audit adjustments.

NOTE 17 - SUBSEQUENT EVENTS

LCCF is required to evaluate events or transactions that may have occurred after the statement of financial position date for potential recognition or disclosure in the financial statements. LCCF performed such an evaluation through February 26, 2026, the date of these financial statements were available to be issued. No subsequent events have been evaluated for inclusion in the financial statements past this date. Management has noted that there are no additional disclosures or adjustments required to these financial statements.

**LOUISIANA CHAMBER OF COMMERCE FOUNDATION, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024**

<u>Federal Grantor/Pass-through Grantor</u>	<u>Pass-Through Identifying Number</u>	<u>Assistance Listing No.</u>	<u>Name of Program</u>	<u>Passed Through to Subrecipients</u>	<u>Amount Expended</u>
<u>Department of Commerce</u>					
<i>Economic Development Cluster</i>					
Passed Through from: Greater New Orleans Development Foundation	N/A	11.307	Economic Adjustment Assistance	\$ -	\$ 81,962
<i>Total Economic Development Cluster</i>				<u>-</u>	<u>81,962</u>
<i>Other Programs</i>					
Direct	N/A	11.303	Economic Development Technical Assistance	-	273,082
Direct	N/A	11.034	MBDA Capital Readiness Program	-	405,199
<i>Total Other Programs</i>				<u>-</u>	<u>678,281</u>
<u>Total Department of Commerce</u>				-	760,243
<u>Small Business Administration</u>					
Direct	N/A	59.059	Congressional Earmarks Initiative	-	1,183,517
<u>Total Small Business Administration</u>				<u>-</u>	<u>1,183,517</u>
Total Federal Expenditures				<u>\$ -</u>	<u>\$ 1,943,760</u>

LOUISIANA CHAMBER OF COMMERCE FOUNDATION, INC.
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE A – BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of LCCF, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

NOTE B – PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards covers the fiscal year ended December 31, 2024.

NOTE C – DE MINIMIS COST RATE

During the year ended December 31, 2024, LCCF did not elect to use the 10% de minimis cost rate.

NOTE D – LOAN AND LOAN GUARANTEES

LCCF did not expend federal awards related to loans or loan guarantees during the year ended December 31, 2024. LCCF had no loans outstanding from federal awards at the year ended December 31, 2024.

NOTE E – FEDERALLY FUNDED INSURANCE

LCCF has no federally funded insurance.

NOTE F – NONCASH ASSISTANCE

LCCF did not receive any federal noncash assistance for the year ended December 31, 2024.



Luther Speight & Company, LLC
Certified Public Accountants and Consultants

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
Louisiana Chamber of Commerce Foundation, Inc.
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 Louisiana Chamber of Commerce Foundation, Incorporated ("LCCF"), which comprise the statement of financial position as of December 31, 2023, 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 February 26, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered LCCF'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 LCCF's internal control. Accordingly, we do not express an opinion on the effectiveness of LCCF'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 the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as Findings #2024-001, #2024-002, and #2024-004 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether LCCF'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 instances 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 questioned costs as Findings #2024-003 and #2024-005.

LCCF's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on LCCF's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. LCCF's response was not subject 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 CPAs
New Orleans, Louisiana
February 26, 2026



Luther Speight & Company, LLC
Certified Public Accountants and Consultants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE
UNIFORM GUIDANCE

To the Board of Directors of
Louisiana Chamber of Commerce Foundation, Inc.
New Orleans, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Louisiana Chamber of Commerce Foundation, Incorporated's ("LCCF") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of LCCF's major federal programs for the year ended December 31, 2024. LCCF's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, LCCF complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of LCCF and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of LCCF's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to LCCF's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on LCCF's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about LCCF's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 LCCF's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of LCCF's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of LCCF's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as Finding #2025-005. Our opinion on each major federal program is not modified with respect to these matters.

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

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Luther Speight & Co. CPAs

Luther Speight & Company CPAs
New Orleans, Louisiana
February 26, 2026

**LOUISIANA CHAMBER OF COMMERCE FOUNDATION, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Section I – Summary of Auditor’s Results

Financial Statements

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

Internal Control Over Financial Reporting:

Material weaknesses identified? X yes no
Significant deficiencies identified
not considered to be material weaknesses? yes X none reported

Noncompliance material to financial statements noted? X yes no

Federal Awards

An unmodified opinion was issued on compliance.

Internal control over major programs:

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

Other matters or instances on
noncompliance required to be reported
in accordance with the Uniform Guidance? yes X no

The Major Programs for the year ended December 31, 2024 were as follows:

- 1) Congressional Earmarks Initiative – Assistance Listing #59.059
- 2) MBDA Capital Readiness Program – Assistance Listing #11.034

Dollar Threshold used to distinguish between Type A and Type B Programs: \$750,000

Auditee did not qualify as a low-risk auditee.

**LOUISIANA CHAMBER OF COMMERCE FOUNDATION, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

FINDING #2024-001 (CONTINUED)

MANAGEMENT'S
RESPONSE:

Management acknowledges the need to strengthen accounting documentation standards and internal control procedures. See management's corrective action plan starting on pg. 35 for specific corrective actions that are planned.

**LOUISIANA CHAMBER OF COMMERCE FOUNDATION, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

FINDING #2024-002	PROCEDURES AND INTERNAL CONTROLS RELATED TO WIRE TRANSFERS/ACH TRANSACTIONS NOT ADEQUATE – MATERIAL WEAKNESS – ORIGINATED IN 2023
CRITERIA:	Best practices for adequate internal controls provide that adequate documentation be maintained to support invoice approvals and funds disbursement. Segregation of duties be implemented related to these functions.
CONDITION:	Our review of the internal controls, policies and procedures indicated that LCCF did not have a documented policy related to wire transfer disbursements. Our detailed examination expense transactions included twenty-four (24) wire transfer disbursements totaling \$200,583. We noted that adequate supporting documentation was not on file that included wire transfer approval forms or similar documentation.
CAUSE:	We were unable to determine the cause for this condition.
EFFECT:	Internal controls were not adequate to mitigate the risk of errors or irregularities related to wire transfer disbursements that might occur and not be identified on a timely basis.
RECOMMENDATION:	LCCF should develop and implement a policy related to wire transfer disbursements.
MANAGEMENT’S RESPONSE:	Management will enhance internal controls over wire transfers. See management’s corrective action plan starting on pg. 35 for specific correction actions that are planned.

LOUISIANA CHAMBER OF COMMERCE FOUNDATION, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024

FINDING #2024-003	TIMELY SUBMISSION OF ANNUAL AUDIT REPORT – NON-COMPLIANCE – ORIGINATED IN 2023
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 (LLA) office within six months from their fiscal year end.
CONDITION:	LCCF did not complete and submit its independent audit report within the required deadline. The LLA granted LCCF non-emergency extensions; however, this finding is still a requirement for the audit report.
CAUSE:	LCCF did not provide audit-ready financial statements on a timely basis.
EFFECT:	Late submission causes the auditee to be put on the non-compliance list (if they are not granted a non-emergency extension) and can result in withholding of state and/or federal pass-through funding to the auditee.
RECOMMENDATION:	LCCF should implement policies and procedures to ensure timely filing of any and all required reports.
MANAGEMENT’S RESPONSE:	Management recognizes the importance of timely audit submission. See management’s corrective action plan starting on pg. 35 for specific corrective actions that are planned.

**LOUISIANA CHAMBER OF COMMERCE FOUNDATION, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Section III – Federal Awards Findings

**FINDING #2024-005 TIMELY SUBMISSION OF ANNUAL AUDIT REPORT TO
FEDERAL AUDIT CLEARINGHOUSE – NON-
COMPLIANCE – ORIGINATED IN 2024**

CRITERIA: According to the Uniform Guidance Requirements (2 CFR 200.512), the audit, the data collection form, and the reporting package must be submitted within thirty (30) calendar days after the auditee receives the auditor’s report or nine (9) months after the end of the audit period (whichever is earlier).

CONDITION: LCCF did not submit the audit reporting package within the time-frame required by the Uniform Guidance (due by September 30, 2025).

CAUSE: This fiscal year was the first year LCCF qualified for a Single Audit and they did not provide audit-ready financial statements on a timely basis.

EFFECT: Failure to submit the audit report in a timely manner could result in noncompliance with federal requirements and has potential impact on current or future federal grant funding.

RECOMMENDATION: LCCF should implement procedures to ensure timely completion of the audit engagement.

**MANAGEMENT’S
RESPONSE:** LCCF has implemented administrative procedures to ensure the independent audit firm is engaged on timely basis including filing of all required reports.

**LOUISIANA CHAMBER OF COMMERCE FOUNDATION, INC.
STATUS OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2024**

<u>PY Finding #</u>	<u>Description</u>	<u>Resolved/Unresolved</u>	<u>CY Finding #</u>
2023-001	Procedures and Internal Controls Related to Payroll and HR not Adequate	Unresolved	Merged into 2024-001
2023-002	Procedures and Internal Controls Related to Wire Transfers not Adequate	Unresolved	2024-002
2023-003	Audit Report not Completed Timely	Unresolved	2024-003
2023-004	Accounting for Revenues with Donor Restriction and Releases from Restrictions	Unresolved	2024-004

**LOUISIANA CHAMBER OF COMMERCE FOUNDATION, INC.
 SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER
 PAYMENTS TO AGENCY HEAD
 FOR THE YEAR ENDED DECEMBER 31, 2024**

Agency Head Name: David St. Etienne, CEO

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 150,000.00
Benefits-Insurance	\$ 6,454.76
Benefits-Retirement	N/A
Benefits-Section 125	N/A
Car allowance	N/A
Vehicle provided by government	N/A
Per diem	N/A
Reimbursements	N/A
Travel	N/A
Registration fees	N/A
Conference travel	N/A
Continuing professional education fees	N/A
Housing	N/A
Unvouchered expenses	N/A
Special meals	N/A



LOUISIANA CHAMBER OF COMMERCE FOUNDATION, INC.

MANAGEMENT'S CORRECTIVE ACTION PLAN

FOR THE YEAR ENDED DECEMBER 31, 2024

FINDING #2024-001 – PROCEDURES AND INTERNAL CONTROLS RELATED TO ACCOUNTING DOCUMENTATION AND DOCUMENTATION PRACTICES

Corrective Action Planned:

Management acknowledges the need to strengthen accounting documentation standards and internal control procedures. The Foundation will implement the following corrective actions:

1. Adopt a formal Accounting Policies & Procedures Manual addressing documentation standards for all financial transactions.
2. Require supporting documentation (invoices, contracts, approvals, reconciliations) to be maintained electronically in a centralized, secure system.
3. Implement standardized checklists for accounts payable, cash receipts, journal entries, and reconciliations.
4. Require documented supervisory review (signature/date or electronic approval log) of major accounting transactions.
5. Conduct staff training on documentation retention requirements and internal control expectations.
6. Perform quarterly internal compliance reviews to ensure adherence to documentation standards.

Person Responsible: David St. Etienne

Expected Completion Date: April 30, 2026

FINDING #2024-002 – PROCEDURES AND INTERNAL CONTROLS RELATED TO WIRE TRANSFERS / ACH TRANSACTIONS NOT ADEQUATE

Corrective Action Planned:

Management will enhance internal controls over wire transfers and ACH transactions as follows:

1. Implement dual authorization for all wire and ACH transactions.
2. Establish written procedures requiring documented approval prior to initiation.
3. Segregate duties between transaction initiation and approval functions.
4. Require independent monthly review of wire/ACH activity by a board member or designated finance committee representative.
5. Maintain a wire/ACH transaction log including date, amount, purpose, and approvers.
6. Coordinate with the financial institution to enable positive pay and fraud prevention controls where available.

Person Responsible: David St.Etienne

Expected Completion Date: April 30, 2026

FINDING #2024-003 – TIMELY SUBMISSION OF ANNUAL AUDIT REPORT

Corrective Action Planned:

Management recognizes the importance of timely audit submission. Corrective measures include:

1. Develop an annual financial reporting calendar with defined milestones.
2. Assign internal deadlines for closing the books and preparing audit schedules.
3. Engage auditors no later than the third quarter of the fiscal year.
4. Provide quarterly progress updates to the Board regarding audit readiness.

Person Responsible: David St. Etienne

Expected Completion Date: Implemented beginning with FY2026 audit cycle (starting October 1, 2026)

FINDING #2024-004 – ACCOUNTING FOR REVENUES AND DESIGNATING DONOR RESTRICTIONS AND RELEASES FROM RESTRICTIONS

Corrective Action Planned:

Management will strengthen revenue recognition and donor restriction tracking procedures by:

1. Implementing a formal Revenue Recognition & Donor Restriction Policy consistent with GAAP, with the assistance of external auditors.
2. Establishing procedures for identifying, documenting, and coding restricted contributions at the time of receipt.
3. Maintaining a restricted net asset tracking schedule.
4. Requiring documented approval and support for releases from restriction.
5. Conducting quarterly reconciliation of restricted revenue balances to supporting documentation.
6. Providing training to accounting personnel on nonprofit revenue accounting standards, with the assistance of external auditors.

Person Responsible: David St. Etienne

Expected Completion Date: June 1, 2026

FINDING #2024-005 – TIMELY SUBMISSION OF ANNUAL AUDIT REPORT TO FEDERAL AUDIT CLEARINGHOUSE

Corrective Action Planned:

Management will implement the following procedures to ensure timely submission to the Federal Audit Clearinghouse:

1. Incorporate Federal Audit Clearinghouse submission deadlines into the annual reporting calendar.
2. Assign responsibility for preparing and uploading the required reporting package immediately upon audit completion.
3. Establish a compliance checklist for Uniform Guidance requirements.
4. Require documented confirmation of submission and Board notification once filing is complete.
5. Monitor submission deadlines through Finance Committee oversight.

Person Responsible: David St. Etienne

Expected Completion Date: Implemented beginning with FY2026 Single Audit submission cycle

Signature: _____



David St. Etienne

Title: President/CEO

president



Luther Speight & Company, LLC
Certified Public Accountants and Consultants

LOUISIANA CHAMBER OF COMMERCE FOUNDATION, INC.

STATEWIDE AGREED UPON PROCEDURES REPORT

FOR THE YEAR ENDED DECEMBER 31, 2024



Luther Speight & Company, LLC
Certified Public Accountants and Consultants

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of
Louisiana Chamber of Commerce Foundation, Inc.
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. Louisiana Chamber of Commerce Foundation, Inc.'s management is responsible for those C/C areas identified in the SAUPs.

Louisiana Chamber of Commerce Foundation, Inc. has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period 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: *The policies and procedures appropriately address the preparation, adopting and monitoring of the entity's budget. However, we were unable to verify any policies and procedures regarding the amendment of the budget.*

Management's Response: Management acknowledges that while the Budget Policy addresses preparation, adoption, and monitoring, it does not formally document procedures for budget amendments. Corrective action will include:

- 1) Adoption of a formal Budget Amendment Policy requiring:
 - o Identification of circumstances requiring amendment (e.g., revenue shortfall, grant modification, material variance >10% per line item, etc.).
 - o Preparation of a written amendment request by management.
 - o Finance Committee review.
 - o Board approval for all material amendments.
 - o Documentation in meeting minutes.
- 2) Implementation of a quarterly budget-to-actual review process to identify potential amendments proactively.

The revised policy will be drafted and presented to the Board for approval by May 31, 2026 and implemented immediately thereafter.

- 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 only states purchases are made using the organization's credit card. However, the policies and procedures manual does not address how purchases are initiated, how vendors are added, the preparation or approval of purchase requisitions or purchase orders, controls related to public bid law, or documentation requirements for bids or price quotes. This condition is unchanged from the prior year, despite management's prior-year response indicating that the policies and procedures would be updated to include the subtopics noted above.

Management's Response: Management acknowledges that the Purchasing Policy is incomplete and does not address required subcategories, including purchase initiation, vendor approval, public bid compliance, and documentation retention. This finding was also noted in the prior year and was not fully implemented. Corrective action will include adoption of a comprehensive Procurement & Purchasing Policy addressing:

- 1) Formal purchase initiation through written requisition forms.
- 2) Vendor onboarding procedures, including W-9, conflict disclosure, and approval by management.
- 3) Require approval thresholds for purchase orders.
- 4) Public bid law compliance procedures, including
 - a. Threshold tracking
 - b. Documentation, retention checklist
- 5) Centralized documentation requirements for all bids and quotes.
- 6) Segregation of duties between requestor, approver, and payment processor, where possible.

This policy will be completed and submitted for Board approval by May 31, 2026, with staff training conducted immediately upon adoption.

- 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, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules. and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.

Results: The policies and procedures appropriately address how payroll is processed and reviewed by HR Consultant. However, the policies and procedures do not specifically describe procedures for reviewing and approving time and attendance records, leave or overtime worked.

Management's Response: *Management acknowledges that while payroll processing procedures are documented, formal written procedures for timekeeping approval, leave documentation, and overtime authorization are not currently included in the Personnel Policy. Corrective action will include:*

- 1) *Implementation of standardized time and attendance documentation (electronic or physical).*
- 2) *Supervisor approval required for:*
 - o *Daily time records,*
 - o *Leave requests,*
 - o *Overtime hours.*
- 3) *Maintenance of approved records in personnel files.*
- 4) *Quarterly internal compliance review.*

The updated Personnel & Payroll Procedures will be presented to the Board by June 30, 2026.

- 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: *The policies and procedures appropriately address services requiring written contracts and approval. However, we were unable to observe any policies and procedures regarding standard contract terms and conditions, legal review requirements, or a formalized contract monitoring process. This condition is unchanged from the prior year, despite management's prior-year response indicating that the policies and procedures would be updated to include the subtopics noted above.*

Management's Response: *Management acknowledges that formal policies do not currently address standard contract terms, legal review requirements, or contract monitoring procedures. Corrective action will include development of a formal Contract Administration Policy, including:*

- 1) *Standard contract templates and required clauses.*
- 2) *Mandatory legal review for contracts exceeding defined thresholds.*
- 3) *Formal approval authority processes.*
- 4) *Contract monitoring checklist, including deliverables verification.*
- 5) *Central contract log with renewal tracking.*

The policy will be developed and adopted by June 30, 2026.

- 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 how cards are to be controlled, allowable business uses, documentation requirements, and required approvers of statements, but do not describe formal procedures for ongoing monitoring of card usage or documented review of statement reasonableness. This condition is unchanged from the prior year, despite management's prior-year response indicating that the policies and procedures would be updated to include the subtopics noted above.*

Management's Response: *Management acknowledges that while credit card controls exist, formal monitoring procedures are not documented. Corrective action will include:*

- 1) *Monthly independent review of all card statements by a member of management.*
- 2) *Written or electronic evidence of review (signature/date or approval log).*
- 3) *Quarterly reasonableness review presented to the Finance Committee.*
- 4) *Annual review of card limits and authorized users.*

These procedures will be implemented immediately and incorporated into the Policies & Procedures Manual within May 31, 2026.

- 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 address allowable expenses, documentation requirements, and required approvers, but do not address dollar thresholds by category of expense. This condition is unchanged from the prior year, despite management's prior-year response indicating that the policies and procedures would be updated to include the subtopics noted above.*

Management's Response: *Management acknowledges that the Travel Policy does not currently include dollar thresholds by category. Corrective action will include:*

- 1) *Establishment of maximum thresholds for:*
 - a. *Lodging (per diem aligned with federal/state guidelines),*
 - b. *Meals,*
 - c. *Airfare,*
 - d. *Mileage reimbursement,*
 - e. *Miscellaneous expenses.*
- 2) *Requirement for pre-approval for travel exceeding thresholds.*
- 3) *Finance Committee review for exceptions*

The revised policy will be adopted within May 31, 2026.

- 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 a 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 a non-profit.*

- 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.

Results: *We were unable to observe any policies and procedures addressing the required elements above. This condition is unchanged from the prior year, despite management's prior-year response indicating that the policies and procedures would be updated to include the subtopics noted above.*

Management's Response: Management acknowledges that a formal Disaster Recovery and Business Continuity Plan is not currently documented. Corrective action will include development of a comprehensive IT & Business Continuity Plan addressing:

- 1) Identification of critical systems and data.
- 2) Daily automated backups.
- 3) Off-site/cloud storage of backups.
- 4) Quarterly restoration testing.
- 5) Antivirus and endpoint protection requirements.
- 6) Patch management schedule.
- 7) Incident response protocol.
- 8) Designated recovery personnel and communication plan.

The plan will be developed in coordination with IT consultants and adopted within July 31, 2026.

- 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.

Results: Not applicable, as the Entity is a 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 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.

Results: We observed that the board met with a quorum on a frequent basis in accordance with the board's enabling legislation. No exceptions were noted.

- b) For those entities reporting on the governmental accounting model, review the minutes from all regularly scheduled board/finance committee meetings held during the fiscal year and observe whether the minutes from at least one meeting each month referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, at a minimum, on all proprietary funds, and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds. *Alternatively, 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.*

Results: We reviewed the board meeting minutes for the 2024 fiscal period and noted no exceptions.

- 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 not a governmental entity.*

- 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 observed that there were no written updates specifically addressing the progress of resolving audit findings in accordance with management's corrective action plan at each meeting until the findings were considered fully resolved.*

Management's Response: Management acknowledges that written progress updates were not formally presented at each Board/Finance Committee meeting. Corrective action will include:

- 1) *Standing agenda item titled "Audit Findings & Corrective Action Plan Update."*
- 2) *Written quarterly status reports until all findings are resolved.*
- 3) *Formal documentation in meeting minutes.*

Implementation will begin at the next scheduled Board meeting.

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:

Results: *We obtained a listing of the Entity's bank accounts for the 2024 fiscal period and management's representation that the listing was complete. We randomly selected December 2024 for testing, obtained and inspected the corresponding bank statements and reconciliations, and observed the following:*

- 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);

Results: Per review of the 2 bank statements and bank reconciliations, we noted that each had evidence (electronic timestamp) of being reconciled. All reconciliations were prepared within 2 months of the statement's closing date. No exceptions were noted.

- 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 or electronically logged); and

Results: We were unable to observe evidence of independent management review, a repeat of the prior-year result in which management reported implementing signing procedures, yet we were unable to observe management approval on each bank reconciliation.

Management's Response: Management acknowledges the absence of documented independent review of bank reconciliations. Corrective action will include:

- 1) Assignment of reconciliation review to a Board member or senior manager not involved in cash handling.
- 2) Required signature/date or electronic approval within 30 days of reconciliation preparation.
- 3) Maintenance of reconciliations with documented review evidence.
- 4) Quarterly Finance Committee confirmation of compliance.

Procedures are effective within May 31, 2026.

- 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.

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

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).

Results: Per discussion with management, the Entity does not collect or handle cash on site. They are located at 2020 St Charles Ave, 5th Floor, New Orleans, LA 70130 and receive all payments via electronic deposit.

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

***Results:** Per discussion with management, the Entity does not collect or handle cash on site. They are located at 2020 St Charles Ave, 5th Floor, New Orleans, LA 70130 and receive all payments via electronic deposit.*

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:** Per discussion with management, the Entity does not collect or handle cash on site. Therefore, this step is not applicable.*

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: Not applicable as the Entity does not collect or handle cash on site. All payments are received via electronic deposit.

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: Per discussion with management, the Entity does not have any locations that process payments. All payments are processed via ACH or 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:
 - 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; and
 - 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, some other electronic means.

Results: Per discussion with management, the Entity payments are processed electronically. We obtained a listing of the employees involved and the written policies and procedures relating to employee job duties and observed that the duties are properly segregated between President/CEO, Director of Administrative Affairs, and Vice President/COO.

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

Results: *We performed the procedures detailed above and no evidence of segregation of duties—such as initials, dates, or electronic approval logs—was noted on the supporting documentation.*

Management's Response: Management acknowledges that documentation did not demonstrate evidence of segregation of duties. Corrective action will include:

- 1) *Implementation of a disbursement approval workflow requiring:*
 - a. *Invoice receipt verification*
 - b. *Approval by authorized signer.*
- 2) *Required initials/date or electronic approval documentation.*
- 3) *Updated Accounts Payable checklist.*

Procedures are effective immediately and will be formalized in writing within May 31, 2026.

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 performed the procedures detailed 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.

Results: We noted that Louisiana Chamber of Commerce Foundation, Inc. did not have credit cards, bank debit cards, fuel cards, or P-cards during the year under audit.

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., itemized 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 (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and

Results: Not applicable, as Louisiana Chamber of Commerce Foundation, Inc. did not have credit cards, bank debit cards, fuel cards, or P-cards during the year under audit.

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

Results: Not applicable, as Louisiana Chamber of Commerce Foundation, Inc. did not have credit cards, bank debit cards, fuel cards, or P-cards during the year under audit.

14. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to inspection). 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 observe 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 Louisiana Chamber of Commerce Foundation, Inc. did not have credit cards, bank debit cards, fuel cards, or P-cards during the year under audit.

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 (doa.la.gov/doa/ost/ppm-49-travel-guide/) or the U.S. General Services Administration (www.gsa.gov);
- b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures (procedure #1h).
- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: *Not applicable. Management confirmed there were no travel and travel-related expense reimbursements during the fiscal year 2024.*

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: *We noted that all contracts selected were not subject to Louisiana Public Bid 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).

Results: *We noted that contracts have support documentation with proper authorization from the President. No exceptions noted.*

- 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: *There were no contract amendments during the December 31, 2024, fiscal period.*

- 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: We tested one payment from each of contracts selected for the above requirements. No exceptions noted.

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: We requested and obtained paid salaries and personnel files for a selection of five (5) employees. No exceptions noted.

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 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 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 agree to the authorized salary/pay rate found within the personnel file.

Results: We performed procedures and verified that pay rates agreed to the amounts documented in personnel files. However, we were unable to determine whether supervisors approved the attendance and leave for the selected employees or officials, as no physical or electronic timesheets reflecting such approval were provided.

Management's Response: Management acknowledges that documentation of supervisor approval of time and leave was not available. Corrective action will include:

- 1) Mandatory supervisor approval (electronic or physical).
- 2) Implementation of a standardized timekeeping system.
- 3) Retention of approved records in personnel files.
- 4) Internal quarterly compliance review.

Implementation will occur within April 30, 2026.

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: Per discussion with management, no employees received termination payments during the fiscal year.

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: We maintained management's representation that all portions of third-party payroll amounts were paid, and all associated forms were filed by the required deadlines. No exceptions noted.

Ethics

Results: Not applicable, as the Entity is a nonprofit.

Debt Service

Results: Not applicable, as the Entity is a nonprofit.

Fraud Notice

21. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

Results: There were no misappropriations of public funds or assets during the fiscal period.

22. 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: The required notice was confirmed to be posted at the physical location and additionally published on the Entity's website.

Information Technology Disaster Recovery/Business Continuity

23. 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.

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

Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is 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.

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

- b) 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.

24. 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 #19. 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.

25. 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 within 30 days of initial service or employment.

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

Sexual Harassment

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

Overall Commitment Statement

Management recognizes the importance of strong internal controls and regulatory compliance. We are committed to strengthening governance, formalizing procedures, enhancing segregation of duties, and improving Board oversight to ensure accountability and safeguard public funds.

All corrective actions will be tracked through a formal Corrective Action Plan monitored by management and reported to the Board until fully resolved.

We were engaged by Louisiana Chamber of Commerce Foundation, Inc. to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. 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 Louisiana Chamber of Commerce Foundation, Inc. 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
February 26, 2026