

Cane River National Heritage Area, Inc.

Natchitoches, Louisiana

Annual Financial Statements
with Independent Auditor's Report

As of and For the Year Ended
September 30, 2025
with Supplemental Information Schedules

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Cane River National Heritage Area, Inc.
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As of and For the Year Ended September 30, 2025
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Independent Auditor's Report

Cane River National Heritage Area, Inc.
Natchitoches, Louisiana

Opinions

We have audited the accompanying financial statements of the Cane River National Heritage Area, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2025, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Cane River National Heritage Area, Inc., as of September 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Cane River National Heritage Area, Inc., 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.

Responsibility of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Cane River National Heritage Area, Inc.'s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Cane River National Heritage Area, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Cane River National Heritage Area, Inc.'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 opinions on the financial statements that collectively comprise the Cane River National Heritage Area, Inc.'s basic financial statements. The Schedule of Compensation, Benefits, and Other Payments to Agency Head is presented for the purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Compensation, Benefits, and Other Payments to Agency Head is the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation, Benefits, and Other Payments to Agency Head is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Louisiana Legislative Auditor, we have issued a report, dated March 23, 2026, on the results of our statewide agreed-upon procedures performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in Government Auditing Standards. The purpose of that report is solely to describe the scope of testing performed on those control and compliance areas identified in the Louisiana Legislative Auditor's statewide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 23, 2026, on our consideration of the Cane River National Heritage Area, Inc.'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Cane River National Heritage Area, Inc.'s internal control over financial reporting and compliance.

Kenneth D. Folden & Co., CPAs, LLC

Jonesboro, Louisiana
March 23, 2026

BASIC FINANCIAL STATEMENTS

Cane River National Heritage Area, Inc. Cane River National Heritage Area, Inc.
Natchitoches, Louisiana

Statement of Financial Position
As of September 30, 2025

Assets

Cash and equivalents	\$	675,394
Investments		132,725
Grants receivable		621,294
Investments - restricted		126,433
Capital assets (net of accumulated depreciation)		782,985
Total Assets	\$	<u>2,338,831</u>

Liabilities**Current Liabilities**

Accounts payable	\$	72,823
Interest payable		2,782
Lease payable-current		3,848
Notes payable		123,651

Non-Current Liabilities

Compensated absences		35,533
Lease payable-noncurrent		7,259

Total Liabilities

<u>245,896</u>

Net Assets

Net investment in capital assets	782,985
Unrestricted	1,309,951

Total Net Assets

<u>2,092,936</u>

Total Liabilities and Net Assets

<u>\$ 2,338,832</u>

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

Cane River National Heritage Area, Inc. Cane River National Heritage Area, Inc.
Natchitoches, Louisiana

Statement of Activities
For the Year Ended September 30, 2025

Unrestricted Revenues and Gains

Grant-federal sources	\$	877,870
Grant-other non-federal sources		635,447
Grant-other state and local grants and contributions		2,436
Total unrestricted revenues and gains		1,515,753

Expenses

Program Services

Marketing & Visitor Services		63,177
Signage		32,737
Planning		3,405
Resources, Inventory & Development		6,200
Grants & Projects		35,895
Total program services		141,414

Supporting Services

Administrative & Operations		1,071,420
Travel & Training		13,814
Compensated Absences, Depreciation & Amortization		33,624
Total supporting services		1,118,858

Total expenses		1,260,272
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Increase (decrease) in unrestricted net assets		255,481
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Prior period adjustment - Construction in Progress for the Discovery Center		17,051
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Net assets - September 30, 2024		1,820,403
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Net assets - September 30, 2025	\$	2,092,935
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Cane River National Heritage Area, Inc. Cane River National Heritage Area, Inc.
Natchitoches, Louisiana

Statement of Cash Flows
For the Year Ended September 30, 2025

Cash flows from operating activities

Change in net assets	\$	255,482
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation		27,390
(Increase) decrease in operating assets		
Accounts receivable		160,706
Increase (decrease) in operating liabilities		
Accounts payable		35,599
Payroll liabilities		6,234
Net cash provided by (used for) operating activities		485,411

Cash flows from investing activities

Purchase of property, plant and equipment		(180,561)
Proceeds from the sale or property, plant and equipment		-
Net cash provided by (used for) investing activities		(180,561)

Cash flows from financing activities

Notes payable borrowings		15,483
Notes payable repayments		(35,751)
Net cash provided by (used for) financing activities		(20,268)

Net increase (decrease) in cash and cash equivalents		284,582
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Cash and cash equivalents - September 30, 2024		390,813
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Cash and cash equivalents - September 30, 2025	\$	675,395
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The accompanying notes are an integral part of these financial statements.

**NOTES TO THE
FINANCIAL STATEMENTS**

Cane River National Heritage Area, Inc.
Natchitoches, Louisiana

Notes to the Financial Statements
As of and for the year ended September 30, 2025

Organization and Nature of Operations

The Cane River National Heritage Area, Inc. is the management entity of the Cane River Heritage Area, a site designated by the federal government and intended to encourage historic preservation of the area in appreciation of the history and heritage of the site. The Cane River National Heritage Area encompasses approximately 116,000 acres.

The Cane River National Heritage Area, Inc. (the Corporation) is a Louisiana nonprofit corporation organized exclusively for educational and charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. The Corporation's primary purpose is to facilitate and implement programs and policies specified in the Cane River Creole National Historical Park and National Heritage Area Act (Public Law 103-449), including preservation, conservation, education, and promotion of the heritage area.

The Corporation's principal sources of support generally include federal financial assistance, contributions, grants, program income, and other revenues generated in support of its mission. Program activities may include, but are not limited to, heritage area management, preservation support, education, interpretation, cultural programming, community partnerships, and other mission-related initiatives consistent with its enabling legislation and approved management plans.

Governance

Under the bylaws, the business and affairs of the Corporation are managed by a Board of Directors consisting of not fewer than five (5) nor more than twenty-five (25) directors, as determined by the Board. All directors must be natural persons at least eighteen years of age. The President/Chief Executive Officer serves as an ex-officio, non-voting member of the Board, and ex-officio members are not counted in determining the number of authorized directors or quorum. The Corporation has no members, and the Board exercises all rights and powers of members.

Directors serve staggered three-year terms and may serve up to nine consecutive years. Board members serve without compensation, but may be reimbursed for reasonable expenses incurred on behalf of the Corporation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

B. Basis of Presentation

The Corporation reports information regarding its financial position and activities according to the following two classes of net assets:

Net assets without donor restrictions - net assets not subject to donor-imposed stipulations. Net assets without donor restrictions may include amounts designated by the Board of Directors for specific purposes.

Net assets with donor restrictions - net assets subject to donor-imposed stipulations that may or will be met either by actions of the Corporation, the passage of time, or that must be maintained in perpetuity.

Cane River National Heritage Area, Inc.
Natchitoches, Louisiana

Notes to the Financial Statements
As of and for the year ended September 30, 2025

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on assets and liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law.

C. Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual results could differ from those estimates.

D. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Corporation considers all highly liquid investments with an original maturity of three months or less to be cash equivalents, except for amounts held for long-term purposes, if any.

E. Receivables

Receivables consist primarily of grants receivable, contributions receivable, program receivables, and other amounts due to the Corporation. Receivables are stated at the amount management expects to collect. The Corporation evaluates outstanding receivables for collectibility and records an allowance for credit losses, if necessary, based on historical experience, specific account analysis, and current economic conditions.

F. Promises to Give

Unconditional promises to give are recognized as revenue in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

G. Capital Assets

Property and equipment are recorded at cost if purchased or at estimated fair value at the date of donation if contributed. The Corporation capitalizes property and equipment acquisitions in excess of \$500 with an estimated useful life greater than one year. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. Repairs and maintenance are expensed as incurred; major renewals and betterments are capitalized. Estimated useful lives are as follows:

Leasehold improvements	20 years
Furniture, fixtures, and equipment	5 - 10 years
Building	40 years

Cane River National Heritage Area, Inc.
Natchitoches, Louisiana

Notes to the Financial Statements
As of and for the year ended September 30, 2025

H. Investments and Fair Value Measurement

Investments, if any, are reported at fair value in the statement of financial position. Fair value is 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. The Corporation uses valuation techniques consistent with the market, income, and cost approaches to measure fair value and prioritizes inputs using a three-level fair value hierarchy:

Level 1 - quoted prices in active markets for identical assets or liabilities;

Level 2 - observable inputs other than quoted prices included in Level 1;

Level 3 - unobservable inputs.

I. Revenue Recognition

The Corporation recognizes revenue in accordance with U.S. GAAP applicable to not-for-profit entities. Revenue may include contributions, grants, cooperative agreement revenues, program service revenue, special event revenue, and other income.

Contributions and Donor-Restricted Support-Contributions received are recorded as support with or without donor restrictions, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets with donor restrictions and is reclassified to net assets without donor restrictions when a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished.

Grant and Cooperative Agreement Revenue-The Corporation receives funding under grants and cooperative agreements, including federal awards. Revenue from such arrangements is recognized in accordance with the substance of the agreement and applicable U.S. GAAP. Amounts received in advance of being earned are recorded as refundable advances or deferred revenue, as applicable. Amounts earned but not yet received are recorded as grants receivable.

Program Income-Program income generated from grant-supported activities is recognized when earned. To the extent required by the applicable federal award, program income is used in accordance with the grant terms.

J. Donated Property, Materials, and Services

Donated property and equipment are recorded at estimated fair value at the date of donation. Donated services are recognized if they create or enhance nonfinancial assets or require specialized skills that would typically need to be purchased if not provided by donation. Other volunteer services are not recognized in the financial statements, although a substantial number of volunteers may contribute significant time to the Corporation's programs.

K. Functional Allocation of Expenses

The costs of providing the Corporation's various programs and supporting services have been summarized on a functional basis. Accordingly, certain costs have been allocated among program services and supporting services based on estimates made by management. Such allocations are determined on a reasonable basis that is consistently applied, such as time and effort, salary allocation, occupancy usage, headcount, or other relevant drivers.

Cane River National Heritage Area, Inc.
Natchitoches, Louisiana

Notes to the Financial Statements
As of and for the year ended September 30, 2025

L. Income Taxes

The Corporation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is classified as an organization that is not a private foundation. Accordingly, no provision for federal income taxes has been made in the accompanying financial statements. The Corporation evaluates uncertain tax positions in accordance with U.S. GAAP and records a liability for any position that is more likely than not to be sustained upon examination. Interest and penalties associated with uncertain tax positions, if any, are recorded as income tax expense.

M. Advertising and Promotion

Advertising and promotional costs are expensed as incurred.

N. Reclassifications

Certain prior-year amounts, if any, may have been reclassified to conform to the current-year presentation. Such reclassifications had no effect on the change in net assets.

2. Availability and Liquidity

The Corporation regularly monitors liquidity required to meet its annual operating needs and other contractual commitments while also striving to maximize the investment of its available funds. The Corporation's financial assets available within one year of the statement of financial position date for general expenditures consist of the following:

Financial assets at September 30, 2025:

Cash	\$	675,394
Certificates of deposit with maturity of greater than one year		259,158
Grants receivable		621,294
Total financial assets		<u>1,555,846</u>
Less financial assets not available for general expenditure:		
Contractually restricted financial assets: certificate of deposit held for short term loan for building		<u>126,433</u>
Total financial assets not available for general expenditure		<u>126,433</u>
Total financial assets available for general expenditure	\$	<u>548,961</u>
Non-financial assets		
Property held and used in operations	\$	<u>782,984</u>
Total non-financial assets	\$	<u>782,984</u>

Cane River National Heritage Area, Inc.
Natchitoches, Louisiana

Notes to the Financial Statements
As of and for the year ended September 30, 2025

The Corporation's liquidity management policy is to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Corporation may receive periodic reimbursements or advances under grants and cooperative agreements and may rely on ongoing contribution support and other earned revenue. As part of its liquidity management, the Corporation may maintain cash in operating accounts and, if applicable, reserve funds or short-term investments. Board-designated amounts, if any, could be made available for operations upon Board approval.

3. Receivables

The receivables of \$621,294 at September 30, 2025, are as follows:

Accounts Receivable-Other	\$	30,294
Grant Receivable-National Park Service Current Year Appropriation		591,000
Total	\$	<u>621,294</u>

Receivables are evaluated for collectibility based on management's review of the terms of the underlying agreements, historical collection experience, and current economic conditions.

Cane River National Heritage Area, Inc.
Natchitoches, Louisiana

Notes to the Financial Statements
As of and for the year ended September 30, 2025

4. Capital Assets

A summary of changes in capital assets for the year ended September 30, 2025, is as follows:

	Balance, October 01, 2024	Additions	Deletions	Balance, September 30, 2025
Capital assets not depreciated				
Construction in progress	\$ 110,453	\$ 178,828		\$ 289,280
Total capital assets not being depreciated	<u>110,453</u>	<u>178,828</u>	-	<u>289,280</u>
Capital assets being depreciated and amortized				
Leasehold improvements	\$ 17,884	-	-	\$ 17,884
Building	496,395	-	-	496,395
Office equipment	42,904	-	-	42,904
Office furniture	21,027	-	-	21,027
Signs	39,616	3,300	-	42,916
Leased assets	17,885	15,483	17,885	15,483
Total capital assets being depreciated	<u>\$ 635,710</u>	<u>\$ 18,783</u>	<u>\$ 17,885</u>	<u>\$ 636,609</u>
Less accumulated depreciation and amortization				
Leasehold improvements	\$ 8,420	\$ 894	-	\$ 9,315
Building	37,230	12,410	-	49,639
Office equipment	38,555	1,665	-	40,221
Office furniture	20,236	352	-	20,588
Signs	15,544	6,307	-	21,852
Leased assets	13,414	5,762	17,885	1,290
Total accumulated depreciation and amortization	<u>133,399</u>	<u>27,390</u>	<u>17,885</u>	<u>142,905</u>
Capital assets, net	<u>\$ 612,764</u>	<u>\$ 170,221</u>	<u>-</u>	<u>\$ 782,984</u>

Depreciation expense for the year ended September 30, 2025 was \$21,628, and amortization expense for leased assets was \$5,762.

Cane River National Heritage Area, Inc.
Natchitoches, Louisiana

Notes to the Financial Statements
As of and for the year ended September 30, 2025

5. Payables

The payables of \$75,605 at September 30, 2025, are as follows:

Accounts	\$	75,605
Total	\$	<u>75,605</u>

6. Leases

On July 25, 2022, the CRNHA entered into a lease agreement with Walker Automotive to finance a new 2022 GMC Terrain. Under FASB ASC 842, this lease met the criteria of a lease, requiring it to be recorded. This asset will be amortized over the useful life. The following is a summary of the long-term obligation transactions for the year ended September 30, 2025:

On July 14, 2025, the CRNHA entered into a lease agreement with Walker Automotive to finance a new 2026 GMC Terrain. Under FASB ASC 842, this lease met the criteria of a lease, requiring it to be recorded. This asset will be amortized over the useful life. The following is a summary of the long-term obligation transactions for the year ended September 30, 2025:

Long-term obligation	Balance, October 01, 2024	Additions	Deletions	Balance, September 30, 2025
2022 GMC Terrain	4,471	-	4,471 \$	-
2026 GMC Terrain	-	15,483	4,376 \$	11,107
Total	<u>\$ 4,471</u>	<u>\$ 15,483</u>	<u>\$ 8,847</u>	<u>\$ 11,107</u>

The following is a summary of the current (due in one year or less) and the long-term (due in more than one year) portions of long-term obligations as of September 30, 2025:

Long-term obligation	Current portion	Long-term portion	Total
2026 GMC Terrain	3,848	7,259	11,107
Total	<u>\$ 3,848</u>	<u>\$ 7,259</u>	<u>\$ 11,107</u>

The following is a summary of the present value of the net minimum lease payments:

Year ending September 30:	Principal
2026	3,848
2027	4,065
2028	3,194
Total minimum lease payments	<u>\$ 11,107</u>

Cane River National Heritage Area, Inc.
Natchitoches, Louisiana

Notes to the Financial Statements
As of and for the year ended September 30, 2025

7. Short-Term Obligation

The Cane River National Heritage Area, Inc. had short-term debt activity for the year ended September 30, 2025. Notes payable represent financing obtained from BOM Bank for the purchase of a new building for the CRNHA headquarters. The note is covered by a pledged certificate of deposit at BOM Bank. The certificate of deposit renews annually and is considered restricted cash.

Short-term obligation	Balance, October 01, 2024	Additions	Deletions	Balance, September 30, 2025
Building, University Avenue	150,432	-	26,781	\$ 123,651
Total	<u>\$ 150,432</u>	<u>\$ -</u>	<u>\$ 26,781</u>	<u>\$ 123,651</u>

8. Net Assets

Net assets without donor restrictions are available for use in general operations and support of the Corporation's mission, unless specifically designated by the Board of Directors. At September 30, 2025, net assets without donor restrictions were \$1,309,951.

9. National Park Service Cooperative Agreement and Other Grants and Contributions

The Corporation is a recipient of federal financial assistance under National Park Service Cooperative Agreement / Notice of Award P25AC00703-00, which supports implementation of the heritage area management plan. The period of performance is set forth in the Notice of Award and is subject to the availability of funds and satisfactory progress.

Under the agreement, the Corporation must comply with applicable federal, state, and local laws, regulations, and codes, including 2 CFR 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards) and 2 CFR 1402. Allowable costs must be necessary, reasonable, and allocable to the project and must comply with the approved objectives, scope of work, budget, and applicable federal cost principles. The approved budget may include personnel, fringe benefits, travel, supplies, contractual services, and other direct costs. Indirect costs may be charged if the Corporation has a federally negotiated indirect cost rate or elects an available de minimis rate, if eligible.

The agreement states that pre-award costs are not allowable. The agreement further states that there is no required non-federal cost share or match. If the Corporation elects to provide non-federal share, such share is generally expected to be contributed at the same general rate as the federal share unless otherwise approved.

Payments under the cooperative agreement are made through the U.S. Department of the Treasury's ASAP system, either as advances or reimbursements, and must be supported by appropriate documentation. The Corporation is required to submit annual and final financial and performance reports as specified in the Notice of Award.

Program income earned during the period of performance must be used before requesting additional federal funds and may be added to the federal award for allowable costs, in accordance with the terms of the agreement.

Cane River National Heritage Area, Inc.
Natchitoches, Louisiana

Notes to the Financial Statements
As of and for the year ended September 30, 2025

The Secretary of the Interior and the Comptroller General of the United States, or their authorized representatives, have access to pertinent books, documents, papers, and records related to the award for purposes of examination, audit, excerpts, and transcription. The agreement may be modified or terminated in accordance with applicable federal regulations.

Because the Corporation is the recipient of federal assistance, grant expenditures and related records are subject to audit and adjustment by grantor agencies. Any disallowed costs or resulting adjustments are recognized when known and are expected to be recorded in the period in which the liability becomes probable and estimable.

During the year ended September 30, 2025, the Cane River National Heritage Area, Inc. received grant income from the Department of the Interior, National Park Services of \$591,000. This grant is to be used to further the purpose of the Cane River National Heritage Area, Inc. The Cane River National Heritage Area, Inc. received additional federal and local grants from the CARI-Community Projects (\$286,870); City of Natchitoches-Cane River Waterway District Cooperative Endeavor Agreement for the Mill District Seawall and Riverbank Stabilization Project (\$530,791); Natchitoches Historic District Development Commission (Balloon Fest-\$31,256, Docent Program-\$20,000, Natchitoches in Bloom-\$15,000, and Marketing-\$9,000); and other small contributions.

10. Concentrations, Risks, and Uncertainties

The Corporation may receive a significant portion of its support and revenue from federal awards, including funding provided through the National Park Service cooperative agreement described in Note 9. A significant reduction in federal funding, delays in reimbursement, changes in appropriations, modifications to grant terms, or noncompliance with grant requirements could have an adverse effect on the Corporation's programs, cash flows, and operations.

The Corporation maintains cash balances at financial institutions that may, at times, exceed federally insured limits. The Corporation has not experienced losses on such accounts and believes it is not exposed to significant credit risk on cash.

If applicable, the Corporation may disclose significant concentrations of receivables from a single governmental agency, donor, or funding source, for example:

At September 30, 2025, 95% of receivables were due from the National Park Service.

For the year ended September 30, 2025, 58% of total revenue and support was derived from federal grants.

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions affecting certain reported amounts and disclosures. Actual results may differ from those estimates, particularly with respect to collectibility of receivables, allocation of functional expenses, depreciation, grant compliance matters, and contingencies.

11. Related Parties, Governance, and Compensation Restrictions

The Corporation is governed by its Board of Directors, which is responsible for managing the business and affairs of the Corporation. The Board appoints officers, establishes committees, and oversees the administration and operation of the Corporation. The President/Chief Executive Officer is responsible for administration and operation of the Corporation and serves at the pleasure of the Board.

Cane River National Heritage Area, Inc.
Natchitoches, Louisiana

Notes to the Financial Statements
As of and for the year ended September 30, 2025

The bylaws provide that no part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its directors, officers, or other private persons, except that the Corporation is authorized to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its exempt purposes. Directors serve without compensation but may be reimbursed for reasonable expenses incurred on behalf of the Corporation.

The Corporation maintains policies and procedures, including Board oversight, for identifying and evaluating related-party transactions and potential conflicts of interest. There were no material related-party transactions requiring disclosure for the year ended September 30, 2025.

12. Commitments and Contingencies

The Corporation is subject to commitments and contingencies arising in the ordinary course of operations, including those associated with grants, contracts, leases, employment matters, and other agreements.

Grant Compliance-Federal and other grant awards are subject to financial and compliance audits by the grantor or its representatives. Such audits could result in questioned costs, disallowed costs, or refund obligations. Management believes that the Corporation has substantially complied with the terms and conditions of its grants and cooperative agreements; however, no assurance can be provided that all matters will be resolved without adjustment.

Donor and Grant Restrictions-The Corporation is required to use restricted support in accordance with donor-imposed or grantor-imposed restrictions. Failure to comply with such restrictions could result in a contingent liability, repayment obligation, loss of future funding, or other adverse consequences. Management monitors compliance with applicable restrictions and records liabilities when it is probable that a liability has been incurred and the amount can be reasonably estimated.

Litigation-From time to time, the Corporation may be involved in legal proceedings arising in the ordinary course of business. Management, after consultation with legal counsel, did not disclose any material matters under U.S. GAAP.

13. Income Taxes

The Cane River National Heritage Area, Inc. is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. The Cane River National Heritage Area, Inc.'s Form 990, Return of Organization Exempt from Income Tax, for the years ending September 30, 2025, 2024, and 2023, are subject to examination by the IRS, generally for three years after being filed.

14. Dissolution and Other Bylaw Restrictions

The bylaws provide that, upon dissolution of the Corporation, its assets shall be distributed exclusively for its exempt purposes or to one or more organizations described in Section 501(c)(3) of the Internal Revenue Code. The bylaws further prohibit participation in political campaigns and restrict substantial lobbying activities. The Corporation also may not accept gifts or bequests that would jeopardize its tax-exempt status.

These provisions do not generally require separate recognition in the financial statements but are relevant to the Corporation's governance and tax-exempt operating framework.

Cane River National Heritage Area, Inc.
Natchitoches, Louisiana

Notes to the Financial Statements
As of and for the year ended September 30, 2025

15. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, March 23, 2026, and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.



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**Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements
Performed in Accordance With Government Auditing Standards**

Cane River National Heritage Area, Inc.
Natchitoches, 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 by the Comptroller General of the United States, the financial statements of the Cane River National Heritage Area, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2025, and the related statement of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 23, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Cane River National Heritage Area, Inc.'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Cane River National Heritage Area, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Cane River National Heritage Area, Inc.'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 combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Cane River National Heritage Area, Inc.'s financial statements are free of 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that is required to be reported under Government Auditing Standards.

Purpose of this Report

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

Kenneth D. Folden & Co., CPAs, LLC

Jonesboro, Louisiana
March 23, 2026

SUPPLEMENTAL INFORMATION

Cane River National Heritage Area, Inc.
Natchitoches, Louisiana

Schedule of Findings and Questioned Costs
For the year ended September 30, 2025

We have audited the basic financial statements of the Cane River National Heritage Area, Inc. as of and for the year ended September 30, 2025 and have issued our report thereon dated March 23, 2026. 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 Governmental Auditing Standards, issued by the Comptroller General of the United States. Our audit of the financial statements as of September 30, 2025 resulted in an unqualified opinion.

A. Summary of Auditor's Report

Report on Internal Control and Compliance Material to Financial Statements

Internal Control

Material Weakness Yes No Significant Deficiencies Yes No

Compliance

Compliance Material to Financial Statements Yes No

B. Findings - Financial Statements Audit

Current Year

No current year findings.

Prior Year

No prior year findings.

Cane River National Heritage Area, Inc.
Natchitoches, Louisiana

Schedule of Compensation, Benefits and Other Payments to Agency Head
For the year ended September 30, 2025

Rebecca Blankenbaker President	
Salary	\$ 79,848
Benefits - Workers Comp	214
Benefits - Employee Life Insurance	492
Benefits - Health Insurance (including dependent coverage)	17,242
Benefits - Medicare	1,056
Benefits - Retirement	21,789
Benefits - Administrative leave earned	1,353
Benefits - Sick leave earned	3,711
Benefits - Vacation leave earned	4,639
	\$ 130,344
	\$ 130,344



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Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Board Members of Cane River National Heritage Area, Inc.
Natchitoches, Louisiana
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 October 01, 2024 through September 30, 2025. Cane River National Heritage Area, Inc.'s management is responsible for those C/C areas identified in the SAUPs.

Cane River National Heritage Area, 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 October 01, 2024 through September 30, 2025. 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:

1) Written Policies and Procedures

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

- i. Budgeting, including preparing, adopting, monitoring, and amending the budget.
- ii. Purchasing, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.
- iii. Disbursements, including processing, reviewing, and approving,
- iv. Receipts/Collections, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- v. Payroll/Personnel, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
- vi. Contracting, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- vii. Travel and expense reimbursement, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- viii. Credit Cards (and debit cards, fuel cards, purchase cards, if applicable), including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- ix. Ethics, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- x. Debt Service, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. Information Technology Disaster Recovery/Business Continuity, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. Prevention of Sexual Harassment, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Procedure Results: We noted no exceptions.

2) Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - ii. For those entities reporting on the governmental accounting model, 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, at a minimum, on all proprietary funds, and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds. Alternately, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.
 - iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
 - iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Procedure Results: We noted exceptions. See Item 1.

3) Bank Reconciliations

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

- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
- ii. Bank reconciliations include 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 (e.g., initialed and dated, electronically logged); and
- iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Procedure Results: We noted no exceptions.

4) Collections

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

B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (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:

- i. Employees responsible for cash collections do not share cash drawers/registers;
- ii. 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;
- iii. 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
- iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.

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

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

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

- iii. Trace the deposit slip total to the actual deposit per the bank statement.
- iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
- v. Trace the actual deposit per the bank statement to the general ledger.

Procedure Results: We noted no exceptions.

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

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

B. For each location selected under procedure #5a above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
- ii. At least two employees are involved in processing and approving payments to vendors;
- iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
- iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
- v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

C For each location selected under #5a above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:

- i. Observe 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
- ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5b above, as applicable.

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

Procedure Results: We noted no exceptions.

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

A. 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.

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

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

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

C. Using the monthly statements or combined statements selected under procedure #7b above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Procedure Results: We noted no exceptions.

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

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

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

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

iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policy and Procedures procedure #1a(vii); and

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

Procedure Results: We noted no exceptions.

8) Contracts

A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period.

Alternately, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and

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

Procedure Results: We noted no exceptions.

9) Payroll and Personnel

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #9a above, obtain attendance records and leave documentation for the pay period, and
 - i. Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
 - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and 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's or official's cumulative leave records, agree the pay rates in the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.
- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Procedure Results: We noted no exceptions.

10) Ethics

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9a obtain ethics documentation from management, and
 - i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
 - ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Procedure Results: We noted exceptions. See Item 2.

11) Debt Service

A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Procedure Results: We noted no exceptions.

12) Fraud Notice

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

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

Procedure Results: We noted exceptions.

13) Information Technology Disaster Recovery/Business Continuity

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

i. 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 testing/verifying backing up restoration) 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.

ii. 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.

iii. 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.

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

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

14) Prevention of Sexual Harassment

A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9a, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

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

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

- i. Number and percentage of public servants in the agency who have completed the training requirements;
- ii. Number of sexual harassment complaints received by the agency;
- iii. Number of complaints which resulted in a finding that sexual harassment occurred;
- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- v. Amount of time it took to resolve each complaint.

Procedure Results: We noted exceptions. See Item 2.

We were engaged by Cane River National Heritage Area, 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 Cane River National Heritage Area, 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.

Kenneth D. Folden & Co., CPAs, LLC

Kenneth D. Folden & Co., CPAs, LLC

Jonesboro, Louisiana

March 23, 2026

Cane River National Heritage Area, Inc.
Natchitoches, Louisiana

Management's Responses to Exceptions to the
Statewide Agreed-Upon Procedures
For the year ended September 30, 2025

Item 1: Exception: The board meeting minutes for meetings held October 24, 2024; February 6, 2025; May 29, 2025; and September 4, 2025 did not reference or include written updates regarding the progress of resolving prior audit findings.

Response: Management acknowledges that this was an oversight in the documentation of board meeting minutes. While the audit results and status of prior exceptions were circulated to and discussed with the Board, these discussions were not consistently reflected in the official minutes. Moving forward, management will ensure that all updates regarding the status of prior audit findings are formally documented in board meeting minutes to maintain full compliance with Louisiana Legislative Auditor requirements.

Item 2: Exception: Out of a total of five (5) employees, four (4) employees had documentation evidencing completion of the required ethics, cybersecurity, and sexual harassment training.

Response: Management acknowledges this exception and is committed to ensuring full compliance with all required training mandates. Moving forward, management will implement enhanced tracking and verification procedures to ensure that all employees, including new and mid-year hires, complete required ethics, cybersecurity, and sexual harassment training within established deadlines. Documentation of completion will be maintained centrally and reviewed periodically to ensure ongoing compliance.



March 23, 2026

Kenneth D. Folden & Co., CPAs, LLC
302 8th Street
Jonesboro, LA 71251

In connection with your engagement to apply agreed-upon procedures to certain control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures (SAUPs), for the fiscal period October 01, 2024 through September 30, 2025, we confirm to the best of our knowledge and belief, the following representations made to you during your engagement.

1. We acknowledge that we are responsible for the C/C areas identified in the SAUPs, including written policies and procedures; board or finance committee; bank reconciliations; collections; non-payroll disbursements; credit/debit/fuel/purchasing cards; travel and travel related expense reimbursement; contracts; payroll and personnel; ethics; debt service; and other areas (as applicable).
Yes No
2. For the fiscal period October 01, 2024 through September 30, 2025, the C/C areas were administered in accordance with the best practice criteria presented in the SAUPs.
Yes No
3. We are responsible for selecting the criteria and procedures and for determining that such criteria and procedures are appropriate for our purposes.
Yes No
4. We have provided you with access to all records that we believe are relevant to the C/C areas and the agreed-upon procedures.
Yes No
5. We have disclosed to you all known matters contradicting the results of the procedures performed in C/C areas.
Yes No
6. We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others affecting the C/C areas, including communications received between September 30, 2025, and March 23, 2026.
Yes No

7. We represent that the listing of bank accounts for the fiscal period that we provided to you is complete. We also represent that we have identified and disclosed to you our main operating account.
- Yes No
8. We represent that the listing of deposit sites for the fiscal period that we provided to you is complete.
- Yes No
9. We represent that the listing of collection locations for the fiscal period that we provided to you is complete.
- Yes No
10. We represent that the listing of locations that process payments for the fiscal period that we provided to you is complete.
- Yes No
11. We represent that the non-payroll disbursement transaction population for each location that processes payments for the fiscal period that we provided to you is complete.
- Yes No
12. We represent that the listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards, that we provided to you is complete.
- Yes No
13. We represent that the listing of all travel and travel-related expense reimbursements during the fiscal period that we provided to you is complete.
- Yes No
14. We represent that the listing of all agreements/contracts (or active vendors) for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period that we provided to you is complete.
- Yes No
15. We represent that the listing of employees/elected officials employed during the fiscal period that we provided to you is complete.
- Yes No
16. We represent that the listing of employees/officials that received termination payments during the fiscal period that we provided to you is complete.
- Yes No
17. We represent that the employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines during the fiscal period.
- Yes No
18. We represent that the listing of bonds/notes issued during the fiscal period that we provided to you is complete.
- Yes No

19. We represent that the listing of bonds/notes outstanding at the end of the fiscal period that we provided to you is complete.

Yes No

20. We represent that the listing of misappropriations of public funds and assets during the fiscal period that we provided to you is complete.

Yes No

21. We are not aware of any material misstatements in the C/C areas identified in the SAUPs.

Yes No

22. We have disclosed to you any other matters as we have deemed appropriate.

Yes No

23. We have responded fully to all inquiries made by you during the engagement.

Yes No

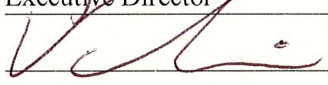
24. We have disclosed to you all known events that have occurred subsequent to September 30, 2025, that would have a material effect on the C/C areas identified in the SAUPs, or would require adjustment to or modification of the results of the agreed-upon procedures.

Yes No

The previous responses have been made to the best of our belief and knowledge.

Signature  Date March 23, 2026

Title Executive Director

Signature  Date March 23, 2026

Title Board Member