Chamber of Southwest Louisiana

COMBINED FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

December 31, 2025

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Chamber of Southwest Louisiana
Southwest Louisiana Alliance Foundation, Inc
Lake Charles, Louisiana

Opinion

We have audited the accompanying combined statements of assets, liabilities, and net assets - cash basis of the Chamber of Southwest Louisiana and the Southwest Louisiana Alliance Foundation, Inc (the Chamber) (nonprofit organizations) as of December 31, 2025, and the related combined statements of revenue, expenses, and other changes in net assets - cash basis and combined statements of functional expenses - cash basis for the year then ended, and the related notes to the financial statements.

In our opinion, the 2025 combined financial statements referred to above present fairly, in all material respects, the combined assets, liabilities, and net assets of the Chamber as of December 31, 2025, and its support, revenue, and expenses for the year then ended in accordance with modified cash basis of accounting as described in Note A.

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

Prior Period Financial Statements

The combined financial statements of the Chamber as of December 31, 2024 were audited by other auditors whose report dated June 20, 2025, expressed an unmodified opinion on those statements.

Basis of Accounting

We draw attention to Note A of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note A, and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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 Chamber's ability to continue as a going concern for 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 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 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 judgement 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 judgement 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 Chamber'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 Chamber's ability to continue as a going concern for a reasonable period of time.

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

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The combining financial statements and the schedule of compensation, benefits, and other payments to agency head or chief executive officer listed as supplemental information in the table of contents are presented for purposes of additional analysis and are not a required part of the combined financial statements of the Chamber. 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined 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, supplemental information are fairly stated, in all material respects, in relation to the combined financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 2026, on our consideration of the Chamber'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 the Chamber's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Chamber's internal control over financial reporting and compliance.

McElroy Quirk & Burch

Lake Charles, Louisiana
June 18, 2026

The Chamber of Southwest Louisiana
COMBINED STATEMENTS OF ASSETS, LIABILITIES, AND NET ASSETS - CASH BASIS
December 31, 2025 and 2024

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 2,751,847	$ 3,041,630
Certificates of deposit	114,000	-
Restricted cash	609,772	564,433
Total Current Assets	3,475,619	3,606,063
PROPERTY AND EQUIPMENT		
Furniture, fixtures, and equipment	256,212	431,096
Accumulated depreciation	(208,913)	(410,768)
Net Property and Equipment	47,299	20,328
TOTAL ASSETS	$ 3,522,918	$ 3,626,391
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Payroll liabilities	$ 31,032	$ 29,258
Total Current Liabilities	31,032	29,258
NET ASSETS		
Without donor restrictions	3,400,160	3,523,388
With donor restrictions	91,726	73,745
Total Net Assets	3,491,886	3,597,133
TOTAL LIABILITIES AND NET ASSETS	$ 3,522,918	$ 3,626,391

See notes to the combined financial statements

The Chamber of Southwest Louisiana
COMBINED STATEMENTS OF REVENUES, EXPENSES, AND OTHER CHANGES IN NET ASSETS - CASH BASIS
Years Ended December 31, 2025 and 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support, and Gains						
Membership dues	$ 655,426	$ -	$ 655,426	$ 734,325	$ -	$ 734,325
SWLA on the Move Campaign	923,363	-	923,363	808,002	-	808,002
Programs (including revenues of nonfinanical assets of $140,181 for the year ending December 31, 2025 and $149,016 for the year ending December 31, 2024)	678,137	-	678,137	726,881	30,000	756,881
Rental income	150,367	-	150,367	174,385	-	174,385
Grants	691,697	18,702	710,399	660,201	-	660,201
Interest income	39,995	-	39,995	32,751	-	32,751
Total Revenue and Gains	3,138,985	18,702	3,157,687	3,136,545	30,000	3,166,545
Net Assets Released from Restrictions	721	(721)	-	44,240	(44,240)	-
Total Revenue, Support, and Gains	3,139,706	17,981	3,157,687	3,180,785	(14,240)	3,166,545
Expenses						
Program service	2,975,961	-	2,975,961	2,429,043	-	2,429,043
Management and general	218,417	-	218,417	193,528	-	193,528
Fundraising	68,556	-	68,556	53,107	-	53,107
Total Expenses	3,262,934	-	3,262,934	2,675,678	-	2,675,678
Increase (Decrease) in Net Assets	(123,228)	17,981	(105,247)	505,107	(14,240)	490,867
Net Assets at Beginning of Year	3,523,388	73,745	3,597,133	3,018,281	87,985	3,106,266
Net Assets at End of Year	$ 3,400,160	$ 91,726	$ 3,491,886	$3,523,388	$ 73,745	$3,597,133

See notes to the combined financial statements

The Chamber of Southwest Louisiana
COMBINED STATEMENT OF FUNCTIONAL EXPENSES - CASH BASIS
Years Ended December 31, 2025 and 2024

	2025				2024			
	Program	Management and General	Fundraising	Total	Program	Management and General	Fundraising	Total
Advertising	$ 87,718	$ -	$ -	$ 87,718	$ 248,744	$ -	$ -	$ 248,744
Auto	17,259	1,918	-	19,177	15,983	1,776	-	17,759
Depreciation	8,441	938	-	9,379	5,729	637	-	6,366
Dues and subscriptions	18,131	-	-	18,131	11,492	-	-	11,492
Employee training	9,336	1,037	-	10,373	10,734	1,193	-	11,927
Employee benefits	124,573	17,841	6,396	148,810	107,123	19,756	6,533	133,412
Insurance	15,485	1,721	-	17,206	11,778	1,309	-	13,087
Office	92,479	10,276	-	102,755	166,930	18,548	-	185,478
Payroll taxes	78,153	11,193	4,013	93,359	50,154	9,250	3,059	62,463
Professional fees	59,400	6,600	-	66,000	38,385	4,265	-	42,650
Program expenses (Note E)	1,210,601	-	-	1,210,601	916,860	-	-	916,860
Rent	110,860	3,476	-	114,336	112,179	3,476	-	115,655
Salaries	1,132,442	162,185	58,147	1,352,774	713,530	131,594	43,515	888,639
Travel	-	-	-	-	3,900	-	-	3,900
Telephone	11,083	1,232	-	12,315	15,522	1,724	-	17,246
TOTAL EXPENSES	$2,975,961	$ 218,417	$ 68,556	$3,262,934	$2,429,043	$ 193,528	$ 53,107	$2,675,678

See notes to the combined financial statements

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Combination

The accompanying financial statements reflect the combined financial statements of the Chamber of Southwest Louisiana (the Chamber) and the Southwest Louisiana Economic Development Alliance (the Alliance). The nominating committee of the Chamber elects the board of directors of the Chamber. The board of directors for the Alliance includes the Chamber board of directors along with other elected officials. The Chamber and the Alliance share a common Executive Director, facilities, and personnel. Material inter-organization transactions and balances have been eliminated.

Nature of Activities

The combined financial statements include the accounts of the Chamber of Southwest Louisiana and the Southwest Louisiana Economic Development Alliance.

The Chamber of Southwest Louisiana, a nonprofit organization incorporated under the laws of the State of Louisiana, is exempt from federal income tax under section 501(c) 6 of the Internal Revenue Code. The Chamber's primary activity is acquiring members to promote ongoing regional development to cultivate a higher quality of life for all citizens. The Southwest Louisiana economic region served by the Chamber includes the parishes of: Calcasieu, Cameron, Beauregard, Allen and Jefferson Davis. The Organization's major funding consists of membership dues and related program activities/function income.

Southwest Louisiana Alliance Foundation, Inc., a nonprofit organization incorporated under the laws of the State of Louisiana, is exempt from federal income tax under Section 501(c) 3 of the Internal Revenue Code. The Alliance's primary activity is promoting the SWLA on the Move Campaign to further the economic welfare and development of the Southwest Louisiana region. It is an affiliate of the Chamber SWLA and is designed to supplement the industrial, business, and commercial development activities of that organization. The Organization's major funding consists of campaign donor contributions, program activities, Business Incubator rental income, and cost reimbursement grants.

Basis of accounting

The Organization's policy is to prepare its financial statements on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). Under GAAP, transactions are recorded in the accounts when revenues are earned and liabilities are incurred. Under the modified cash basis, certain revenues and the related assets are recognized when received rather than when earned, and expenses and the purchase of assets are recognized when paid rather than when the obligation is incurred. Consequently, the Organization has not recognized receivables from various agencies and members or accounts payable to vendors and their related effects on earnings in the accompanying financial statements.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Financial Statement Presentation
The Organization reports information regarding its financial position and activities according to the following net asset categories:

> Net Assets without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of management and the board of directors.

> Net Assets with Donor Restrictions – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature: those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Use of Estimates
The preparation of financial statements for the Chamber requires the use of management's estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents
Cash includes cash on hand, demand deposits, and all short-term debt securities purchased with an original maturity of three months or less to be cash equivalents.

Property and Equipment
It is the Chamber's policy to capitalize property and equipment over $500. Lesser amounts are expensed. Purchased property and equipment are capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Assets donated with explicit restrictions regarding their use, as well as contributions of cash that must be used to acquire property and equipment, are reported as contributions with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Property and equipment are depreciated using the straight-line method with the following useful lives:

Furniture, fixtures, and equipment	3-7 years

Depreciation expense for the years ending December 31, 2025 and 2024 was $9,379 and $6,366, respectively.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Support and Revenue

Contributions are recognized when the donation is received by the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Contributed Materials and Services

Donated materials, supplies, and advertising are reflected in the financial statements at their estimated market values as determined by current prices at the date of receipt. For the year ending December 31, 2025, the total value of donated materials included in revenue was $140,181, with a corresponding charge to the applicable expense. Of this, $125,181 was related to specific program expenses: $52,845 for the Annual Banquet, $51,800 for LegisGator Luncheon, $5,536 for the Golf Tournament, and $15,000 for other program-related costs. Additionally, $15,000 of donated advertising was for various programs. $149,016 has been included in revenues for year ending December 31, 2024 with a corresponding charge to the applicable expense. $124,016 of the donated program revenue was related to specific program expenses: $50,000 for the Annual Banquet, $51,800 for LegisGator Luncheon, $6,016 for the Golf Tournament, and $16,200 for other program-related costs. Additionally, $25,000 of donated advertising was for various programs.

Donated services that do not require specialized skills or enhance nonfinancial assets are not recorded in the accompanying financial statements because no objective basis is available to measure the value of such services. A substantial number of volunteers have donated significant amounts of their time to the Organization's program services and its fundraising campaigns, the value of which is not recorded in these financial statements.

Advertising Costs

The Organization uses advertising to promote Southwest Louisiana in order to increase economic growth and quality of life for the region. Advertising costs are charged to operations when incurred. Total advertising costs for the years ended December 31, 2025 and 2024 amounted to $87,718 and $248,744, respectively.

Functional Allocation of Expenses

The cost of providing the various programs and supporting services have been summarized on a functional basis in the statement of activities. This requires the allocation of certain cost between programs and supporting services based on estimates made by management. The expenses that are allocated on the basis of estimates of time and effort include compensation and benefits, auto, depreciation, employee training and benefits, insurance, office, professional fees, rent, and telephone.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Compensated Absences

Vacation, compensation time, and sick leave are recorded as expenditures of the period in which they are paid. Employees can carry over no more than 40 hours of paid time off from one calendar year to the next and can accrue no more than 80 hours unused leave in any three year period of service. Upon termination of employment, the employee will be paid for any unused paid time off. Employees are able to accrue 24 hours of unused sick leave from one calendar year to the next. However, there will be no payment of unused sick leave upon separation of employment.

NOTE B CERTIFICATES OF DEPOSIT

As of December 31, 2025, the Chamber had a certificate of deposit that matures on August 28, 2026. The certificate of deposit serves as collateral for the available line of credit with Edward Jones (Note G). The certificate yields 4.00%.

NOTE C – LEASING ARRANGEMENTS

The Chamber entered into a lease agreement with McNeese State University for the SEED Center on May 17, 2013. The lease is effective until December 31, 2043. Minimum annual rent beginning the effective date of the lease is $33,755. In accordance with the lease agreement, rent is adjusted annually to reflect lease operating costs. The total rent expense for the years ending December 31, 2025 and 2024 was $34,563 and $34,563, respectively.

The following is a schedule of future minimum rental payments required for the lease with McNeese State University as of December 31, 2025:

Year Ending December 31,	Amount
2026	$33,755
2027	33,755
2028	33,755
2029	33,755
2030	33,755
Thereafter	438,829
	$607,604

The Chamber has agreed to sublease a portion of the space it occupies in the SEED Center to the Imperial Calcasieu Regional Planning & Development Commission (IMCAL). The sublease expires on July 31, 2028. The total rental income for the years ending December 31, 2025 and 2024 from IMCAL was $30,000 and $30,000, respectively. The total rental expense to McNeese State University for this space for the years ending December 31, 2025 and 2024 was $13,474 and $13,474, respectively.

NOTE C – LEASING ARRANGEMENTS - CONTINUED

As part of the Business Incubator Program, the Chamber is responsible for establishing sublease rental rates for leasing out space to small businesses and providing specific assistance needed to help them grow into larger, more profitable businesses. Rent collected in 2025 and 2024 in connection with this program was $97,173 and $117,906, respectively. The lease agreement with McNeese State University established rental rates owed for space that is utilized for the Business Incubator Program. Rent paid in 2025 and 2024 in connection with this program was $66,299 and $67,618, respectively.

NOTE D – RESTRICTIONS ON NET ASSETS

Board-Designated – The Chamber of Southwest Louisiana

In 2011, the Chamber sold their building and the Board of Directors approved the establishment of a board designated fund. The purpose of the fund is to segregate $400,000 from the sale. There is no legal restriction requiring this, however it does require that the use of the funds will be decided by the Board of Directors. These funds were placed into separate checking accounts and the balance in these checking accounts as of December 31, 2025 and 2024 were $566,748 and $520,688.

Donor Restricted – The Chamber of Southwest Louisiana

The Chamber of Southwest Louisiana has donor restricted net assets to be used to promote and pursue any and all funding options for the construction of a new I-10 Bridge in Calcasieu Parish (Build Our Bridge). As of December 31, 2025 and 2024, the donor restricted balance of these funds were $43,024 and $43,745, respectively.

Donor Restricted - Southwest Louisiana Alliance Foundation, Inc.

The Foundation of Southwest Louisiana Alliance Foundation, Inc. has donor restricted net assets as of December 31, for the following purposes:

Program/Purpose	2025	2024
Grant funds	$18,702	$ -
Business Incubator	30,000	30,000
Total Donor Restricted Net Assets	$48,702	$30,000

NOTE E – PROGRAM SERVICES

Activity for the Organizations' major program activities is reported on the cash basis of accounting and may differ from the actual results from each activity due to the timing of the event. Listed below, on the cash basis, is the activity for each program for the year ended December 31, 2025:

Program/Event	Revenues	Direct Expenses	Net Activity
Annual Banquet	$222,045	$107,886	$114,159
Build Our Bridge	-	721	(721)
Business Incubator	-	14,769	(14,769)
Chamber Day	15,034	11,516	3,518
Economic Development	62,529	737,498	(674,969)
Annual Golf Tournament	41,386	24,218	17,168
Leadership	49,914	31,498	18,416
LegisGator Luncheon	251,269	98,698	152,571
Public Policy	16,400	168,748	(152,348)
State of SWLA Breakfast	5,240	12,706	(7,466)
Women's Business Network	5,285	2,343	2.942
COVID-19 Recovery Program	9,035	-	9,035
	$678,137	**$1,210,601**	**$(532,464)**

Activity for the Organizations' major program activities is reported on the cash basis of accounting and may differ from the actual results from each activity due to the timing of the event. Listed below, on the cash basis, is the activity for each program for the year ended December 31, 2024:

Program/Event	Revenues	Direct Expenses	Net Activity
Annual Banquet	$184,620	$105,174	$79,446
Build Our Bridge	-	857	(857)
Business after Hours	2,800	2,156	644
Business Incubator	55,000	30,283	24,717
Chamber Day	15,985	7,282	8,703
Economic Development	100,755	359,932	(259,177)
Annual Golf Tournament	50,909	26,085	24,824
Leadership	78,500	52,414	26,086
Leader In Me	-	34,678	(34,678)
LegisGator Luncheon	261,477	116,008	145,469
Public Policy	5,500	130,439	(124,939)
Women's Business Network	1,335	2,803	(1,468)
COVID-19 Recovery Program	-	48,749	(48,749)
	$756,881	**$916,860**	**$(159,979)**

NOTE F – LIQUIDITY AND AVAILABILTY OF FINANCIAL ASSETS

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

	2025
Cash and cash equivalents	$2,751,847
Certificates of deposit	114,000
Restricted cash	609,772
Financial assets at year-end	3,475,619
Less those unavailable for general expenditures within one year due to:	
Board-designated funds	(566,748)
Donor-restricted for specific programs	(91,726)
Financial assets available to meet cash needs for general expenditure within one year	$2,817,145

	2024
Cash and cash equivalents	$3,041,630
Restricted cash	564,433
Financial assets at year-end	3,606,063
Less those unavailable for general expenditures within one year due to:	
Board-designated funds	(520,688)
Donor-restricted for specific programs	(73,745)
Financial assets available to meet cash needs for general expenditure within one year	$3,011,630

NOTE G – LINE OF CREDIT

As of December 31, 2025, pursuant to an agreement with Edward Jones, the Organization had available a $74,259 revolving line of credit. The line is collateralized by the funds invested with Edward Jones. No borrowings occurred during 2025 or 2024.

NOTE H – CONCENTRATIONS OF CREDIT RISK

The Organization maintains its cash accounts in commercial banks. Cash is secured by FDIC insurance up to $250,000 at each financial institution. As of December 31, 2025 and 2024, cash balances totaling $52,681 and $14,885 exceeded FDIC coverage and therefore were uninsured.

The Organization receives a substantial amount of its support from governmental agencies, the SWLA on the Move campaign, and membership dues from entities located in the Southwest Louisiana area. A significant reduction in this support, if it were to occur, would affect the programs and activities.

NOTE I – RETIREMENT PLAN

The Organization makes available to eligible employees the opportunity to participate in a defined contribution retirement plan. The Organization matches employee contributions up to 5% of employee compensation. Retirement expense for the years ended December 31, 2025 and 2024 was $14,248 and $21,742, respectively.

NOTE J – SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 18, 2026, the date when the financial statements were available to be issued.

The Chamber of Southwest Louisiana
COMBINING STATEMENTS OF ASSETS, LIABILITIES, AND NET ASSETS - CASH BASIS
December 31, 2025

	The Chamber of Southwest LA	Southwest LA Alliance Foundation, Inc.	Eliminations	Total
ASSETS				
Cash and cash equivalents	$ 1,064,267	$ 1,687,580	$ -	$ 2,751,847
Certificates of deposit	-	114,000	-	114,000
Restricted cash	609,772	-	-	609,772
Due from affiliates				
Southwest LA Alliance Foundation, Inc.	63,665	-	(63,665)	-
Property and equipment				
Furniture, fixtures, and equipment	25,646	230,566	-	256,212
Accumulated depreciation	(5,463)	(203,450)	-	(208,913)
	20,183	27,116	-	47,299
TOTAL ASSETS	$ 1,757,887	$ 1,828,696	$ (63,665)	$ 3,522,918
LIABILITIES				
Payroll liabilities	$ 31,032	$ -	$ -	$ 31,032
Due to affiliates				
The Chamber of Southwest LA	-	63,665	(63,665)	-
Total Liabilities	31,032	63,665	(63,665)	31,032
NET ASSETS				
Without donor restrictions	1,683,831	1,716,329	-	3,400,160
With donor restrictions	43,024	48,702	-	91,726
Total Net Assets	1,726,855	1,765,031	-	3,491,886
TOTAL LIABILITIES AND NET ASSETS	$ 1,757,887	$ 1,828,696	$ (63,665)	$ 3,522,918

The Chamber of Southwest Louisiana
COMBINING STATEMENTS OF REVENUES, EXPENSES, AND OTHER CHANGES IN NET ASSETS - CASH BASIS
For the year ended December 31, 2025

	The Chamber of Southwest LA	Southwest LA Alliance Foundation, Inc.	Total
REVENUES			
Membership dues	$ 655,426	$ -	$ 655,426
SWLA on the Move campaign	-	923,363	923,363
Programs	592,784	85,353	678,137
Rental income	-	150,367	150,367
Grants	-	710,399	710,399
Interest income	24,224	15,771	39,995
Total revenues	1,272,434	1,885,253	3,157,687
EXPENSES			
Total expenses	1,499,224	1,763,710	3,262,934
Change in net assets	(226,790)	121,543	(105,247)
Net assets at beginning of year - Cash Basis	1,953,645	1,643,488	3,597,133
Net assets at end of year - Cash Basis	$ 1,726,855	$ 1,765,031	$ 3,491,886

The Chamber of Southwest Louisiana
COMBINING STATEMENTS OF EXPENSES - CASH BASIS
For the year ended December 31, 2025

	The Chamber of Southwest LA	Southwest LA Alliance Foundation, Inc.	Total
Advertising	$ 58,418	$ 29,300	$ 87,718
Auto	19,177	-	19,177
Depreciation	3,699	5,680	9,379
Dues and subscriptions	12,684	5,447	18,131
Employee training	5,559	4,814	10,373
Employee benefits	58,062	90,748	148,810
Insurance	11,249	5,957	17,206
Office	76,971	25,784	102,755
Payroll taxes	48,090	45,269	93,359
Professional fees	33,000	33,000	66,000
Program expenses (Note D)	480,797	729,804	1,210,601
Rent	21,788	92,548	114,336
Salaries	660,390	692,384	1,352,774
Telephone	9,340	2,975	12,315
	$ 1,499,224	$ 1,763,710	$ 3,262,934

The Chamber of Southwest Louisiana

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER

For the Year ended December 31, 2025

AGENCY HEAD NAME: Scott Walker, Executive Director

PURPOSE	**AMOUNT**
Salary	$285,496
Benefits	
Insurance	779
FICA and Medicare	15,172
Vehicle Allowance	6,600
Phone Allowance	500
Travel Reimbursements	3,928
TOTAL	$312,475

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CVA - Certified Valuation Analyst
CFP - Certified Financial Planner

INDEPENDENT AUDITORS' 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*

The Boards of Directors
Chamber of Southwest Louisiana
Southwest Louisiana Alliance Foundation, Inc
Lake Charles, 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 combined financial statements of the Chamber of Southwest Louisiana and the Southwest Louisiana Alliance Foundation, Inc (the Chamber) (nonprofit organization), which comprise the combined statements of assets, liabilities, and net assets - cash basis as of December 31, 2025, and the related combined statements of revenue, expenses, and other changes in net assets - cash basis and combined statements of functional expenses - cash basis for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 18, 2026

Report On Internal Control Over Financial Reporting

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

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

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

Report On Compliance and Other Matters

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

Purpose of This Report

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

Mc Elroy Quirk & Burch

Lake Charles, Louisiana
June 18, 2026

THE CHAMBER OF SOUTHWEST LOUISIANA
LAKE CHARLES, LA

SCHEDULE OF FINDINGS AND RESPONSES
Year Ended December 31, 2025

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditor's report issued:	Unmodified	
Internal control over financial reporting:		
Material weakness identified?	___ Yes	X No
Significant deficiency identified not considered to be material weakness?	___ Yes	X None reported
Noncompliance material to financial statements noted?	___ Yes	X No

SECTION II - FINANCIAL STATEMENT FINDINGS

No findings to report.

THE CHAMBER OF SOUTHWEST LOUISIANA
LAKE CHARLES, LA

SCHEDULE OF PRIOR YEAR FINDINGS
Year Ended December 31, 2025

2024-001

Condition: Account Reconciliations

Status: This condition has been resolved.

2024-002

Condition: Invoice Approval Documentation

Status: This condition has been resolved.

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Boards of Directors the Chamber of Southwest Louisiana and
Southwest Louisiana Alliance Foundation, Inc, and
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas of the Chamber of Southwest Louisiana and Southwest Louisiana Alliance Foundation (the Chamber) identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2025 through December 31, 2025. The Chamber's management is responsible for those C/C areas identified in the SAUPs.

The Chamber 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, 2025 through December 31, 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.

   No exceptions noted.

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.

No exceptions noted.

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

No exceptions noted.

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).

No exceptions noted.

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.

No exceptions noted.

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.

No exceptions noted.

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

No exceptions noted.

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, and (4) required approvers of statements, and (5) monitoring card usage (e.g. determining the reasonableness of fuel card purchases).

No exceptions noted.

ix. ***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) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

No exceptions noted.

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

No exceptions noted.

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.

No exceptions noted.

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.

No exceptions noted.

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.

No exceptions noted.

ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.

No exceptions noted.

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.

No exceptions noted.

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.

No exceptions noted.

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).

No exceptions noted.

ii. Bank reconciliations include evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged).

No exceptions noted.

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

No exceptions noted.

4) Collections (excluding electronic funds transfers)

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

No exceptions noted.

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.

No exceptions noted.

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.

No exceptions noted.

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

No exceptions noted.

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 responsible for collecting cash, unless another employee/official verifies the reconciliation.

No exceptions noted.

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.

No exceptions noted.

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). Obtain supporting documentation for each of the 10 deposits and:

i. Observe that receipts are sequentially pre-numbered.

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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).

No exceptions noted.

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

No exceptions noted.

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

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

No exceptions noted.

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.

No exceptions noted.

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

No exceptions noted.

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.

No exceptions noted.

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.

No exceptions noted.

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.

No exceptions noted.

C. For each location selected under procedure #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 deliverables included on the invoice were received by the entity.

No exceptions noted.

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

No exceptions noted.

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.

No exceptions noted.

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

No exceptions noted.

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) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder.

No exceptions noted.

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

No exceptions noted.

C. Using the monthly statements or combined statements selected under procedure #7B above, <u>excluding fuel cards</u>, 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.

No exceptions noted.

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

No exceptions noted.

7) *Travel and Expense Reimbursement*

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 that the approved reimbursement rate is no more than those rates established by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

No exceptions noted.

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

No exceptions noted.

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 Policies and Procedures procedure #1A(vii).

No exceptions noted.

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

No exceptions noted.

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. 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.

No exceptions noted.

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).

No exceptions noted.

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).

No exceptions noted.

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.

No exceptions noted.

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 five employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

No exceptions noted.

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

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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 cumulate leave records, agree the pay rates to the employee/officials' authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

No exceptions noted.

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, and workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

No exceptions noted.

10) *Ethics*

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

i. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170.

The entity is a nonprofit organization; therefore the ethics requirements are not applicable.

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:

The entity is a nonprofit organization; therefore the ethics requirements are not applicable.

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

The entity is a nonprofit organization; therefore the ethics requirements are not applicable.

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.

   N/A – No bonds or debt instruments issued during the fiscal period.

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):

   N/A – No bonds or debt instruments at the end of the fiscal period.

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 Chamber attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

   No misappropriations of assets during the fiscal period.

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:

   No exceptions noted.

13) Information Technology Disaster Recovery/Business Continuity

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

A. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if 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.

   We performed the procedure and discussed the results with management.

B. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

We performed the procedure and discussed the results with management.

C. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

We performed the procedure and discussed the results with management.

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

We performed the procedure and discussed the results with management.

E. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267[25]. 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.

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 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.

The entity is a nonprofit organization; therefore the sexual harassment requirements are not applicable.

B. Observe 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).

The entity is a nonprofit organization; therefore the sexual harassment requirements are not applicable.

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.

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

The entity is a nonprofit organization; therefore the sexual harassment requirements are not applicable.

We were engaged by the Chamber 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 Chamber 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.

Mc Elroy Quirk & Burch

Lake Charles, Louisiana
June 18, 2026