

LOUISIANA DELTA SERVICE CORPS
D/B/A SERVE LOUISIANA
Baton Rouge, Louisiana

FINANCIAL REPORT

August 31, 2025

LOUISIANA DELTA SERVICE CORPS
D/B/A SERVE LOUISIANA
Baton Rouge, Louisiana

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Louisiana Delta Service Corps
d/b/a Serve Louisiana
Baton Rouge, Louisiana

Opinion

We have audited the accompanying financial statements of the **LOUISIANA DELTA SERVICE CORPS D/B/A SERVE LOUISIANA (LDSC)** (a non-profit corporation), which comprise the statement of financial position as of August 31, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of LDSC as of August 31, 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 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, and the *Louisiana Governmental Audit Guide*. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of LDSC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about LDSC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and *Louisiana Governmental Audit Guide* 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, *Government Auditing Standards*, and *Louisiana Governmental Audit Guide*, 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 LDSC'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 LDSC'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.

(continued)

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Benefits, and Other Payments to Agency Head on page 14 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation, Benefits, and Other Payments to Agency Head is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 28, 2026, on our consideration of LDSC'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 the effectiveness of LDSC'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 LDSC's internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We previously audited LDSC's 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 31, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended August 31, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Certified Public Accountants

Baton Rouge, Louisiana
January 28, 2026

**LOUISIANA DELTA SERVICE CORPS
D/B/A SERVE LOUISIANA
Baton Rouge, Louisiana**

STATEMENT OF FINANCIAL POSITION

August 31, 2025

(with summarized comparative amounts for 2024)

ASSETS

	2025	2024
CURRENT ASSETS		
Cash	\$ 367,985	\$ 620,200
Certificate of deposit	61,436	59,353
Accounts receivable	27,000	31,373
Grants receivable	20,399	29,029
Prepaid expenses and other	18,786	32,273
Total current assets	495,606	772,228
NONCURRENT ASSETS		
Intangible asset, net	6,000	8,000
Property and equipment, net	2,371	398
Total noncurrent assets	8,371	8,398
Total assets	\$ 503,977	\$ 780,626

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	\$ 1,186	\$ 21,417
Accrued expenses	40,579	16,999
Total liabilities	41,765	38,416
NET ASSETS		
Without donor restrictions	462,212	742,210
Total liabilities and net assets	\$ 503,977	\$ 780,626

The accompanying notes to the financial statements
are an integral part of this statement.

**LOUISIANA DELTA SERVICE CORPS
D/B/A SERVE LOUISIANA
Baton Rouge, Louisiana**

STATEMENT OF ACTIVITIES

For the fiscal year ended August 31, 2025

(with summarized comparative amounts for 2024)

	2025	2024
REVENUES AND SUPPORT		
WITHOUT DONOR RESTRICTIONS		
Grants:		
Federal assistance	\$ 734,729	\$ 1,064,097
Other:		
Host sites	404,900	472,500
Interest and other	7,677	10,997
 Total revenues and support without donor restrictions	 1,147,306	 1,547,594
 EXPENSES		
Program	1,265,084	1,290,848
General and administrative	162,220	148,639
 Total expenses	 1,427,304	 1,439,487
 Change in net assets	 (279,998)	 108,107
 NET ASSETS		
Without donor restrictions, beginning of year	742,210	634,103
 Without donor restrictions, end of year	 \$ 462,212	 \$ 742,210

The accompanying notes to the financial statements
are an integral part of this statement.

LOUISIANA DELTA SERVICE CORPS
D/B/A SERVE LOUISIANA
 Baton Rouge, Louisiana

STATEMENT OF CASH FLOWS

For the fiscal year ended August 31, 2025

(with summarized comparative amounts for 2024)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (279,998)	\$ 108,107
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	810	300
Amortization	2,000	2,000
Change in operating assets and liabilities:		
Grants and accounts receivable	13,003	65,041
Accrued expenses	23,580	3,857
Prepaid and other	13,487	6,725
Accounts payable	(20,231)	11,581
Net cash (used for) provided by operating activities	(247,349)	197,611
CASH FLOWS FROM INVESTING ACTIVITIES		
Reinvestment of interest earned on certificates of deposit	(2,083)	(1,869)
Purchase of capital assets	(2,783)	-
Net cash used for investing activities	(4,866)	(1,869)
Net (decrease) increase in cash	(252,215)	195,742
CASH		
Beginning of year	620,200	424,458
End of year	\$ 367,985	\$ 620,200

The accompanying notes to the financial statements
 are an integral part of this statement.

LOUISIANA DELTA SERVICE CORPS
D/B/A SERVE LOUISIANA
Baton Rouge, Louisiana

STATEMENT OF FUNCTIONAL EXPENSES

For the fiscal year ended August 31, 2025

(with summarized comparative information for 2024)

	<u>Program</u>	<u>General and Administrative</u>	<u>2025 Total</u>	<u>2024 Total</u>
Member costs	\$ 939,786	\$ -	\$ 939,786	\$ 991,815
Salaries	139,530	59,799	199,329	185,598
Payroll tax and benefits	27,625	11,839	39,464	38,644
Retirement	15,796	6,770	22,566	22,140
Contract services	37,867	16,229	54,096	24,703
External compliance costs	-	46,897	46,897	43,970
Travel	35,432	-	35,432	37,603
Occupancy	21,322	9,138	30,460	22,223
Member engagement and support	27,334	-	27,334	22,568
Supplies	8,869	3,800	12,669	20,520
Recruitment	5,619	2,409	8,028	16,900
Membership dues and other	3,703	1,586	5,289	5,597
Telephone	2,201	943	3,144	4,906
Amortization	-	2,000	2,000	2,000
Depreciation	-	810	810	300
	<u>\$ 1,265,084</u>	<u>\$ 162,220</u>	<u>\$ 1,427,304</u>	<u>\$ 1,439,487</u>

The accompanying notes to the financial statements
are an integral part of this statement.

**LOUISIANA DELTA SERVICE CORPS
D/B/A SERVE LOUISIANA**
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and operations

Louisiana Delta Service Corps (LDSC), D/B/A Serve Louisiana, is a non-profit corporation whose purpose is to engage Americans of all ages and backgrounds as participants in community based service that provides a direct and demonstrable benefit that is valued by the community. Areas of service are education, public safety, the environment, and other human needs. LDSC primarily operates in the Baton Rouge and New Orleans areas.

LDSC administers the AmeriCorps program funded by federal grants through Corporation for National and Community Service/State of Louisiana/Louisiana Serve Commission.

Basis of presentation

The accounting and reporting policies of LDSC conform to generally accepted accounting principles.

Financial position and activities are to be reported according to two classes of net assets: with donor restrictions and without donor restrictions. LDSC did not have any net assets with donor restrictions as of August 31, 2025.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates are used primarily when accounting for depreciation, allowance for credit losses, valuation of intangible assets, and allocation of functional expenses.

(continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition

Revenues primarily consist of grant revenue and host site revenue. LDSC's grant revenue is primarily related to its AmeriCorps State Grant Agreement with the State of Louisiana. LDSC recognizes grant revenue as expenditures are incurred or as related services are provided as outlined in the grant agreement. For host site revenue, LDSC enters into partnerships with local non-profit organizations and corps members via an application process. LDSC assigns individual corps members to volunteer at a specific host site for the eleven-month period. Corps member host site revenue is recognized over time in which the services are provided.

LDSC reports contributions received as with donor restrictions or without donor restrictions depending on the existence and/or nature of any donor restrictions. Contributions are recognized when the donor makes a pledge to give to LDSC 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. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. LDSC did not have any restricted contributions or promises to give during 2025.

Cash

For the purpose of the statement of cash flows, LDSC considers cash in operating bank accounts as cash.

Accounts receivable and allowance for credit losses

Accounts receivable are recorded at cost, net of an allowance for credit losses. At August 31, 2025, accounts receivable which exceeded 90 days in age had a balance of \$27,000. A general allowance for credit losses is based on management's estimate of the collectability of accounts receivable. There was no allowance for credit losses as of August 31, 2025. Accounts receivable as of September 1, 2024 was \$31,373, with all accounts considered collectible.

Grants receivable

Grants receivable are recorded at amounts expected to be collected based on award letters and reimbursement requests submitted by LDSC. At August 31, 2025, grants receivable totaled \$20,399. LDSC evaluates collectability based on the grantor's funding history, compliance requirements, and communication with program administrators. There was no allowance for uncollectible grants receivable as of August 31, 2025. Grants receivable as of September 1, 2024 were \$29,029, with all accounts considered collectible.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and equipment

Property and equipment with a useful life of one year or more is recorded at cost and depreciated over the asset's estimated service life using the straight-line method. Repairs and maintenance costs that do not extend the service life of the asset is expensed as incurred.

Property and equipment and related service lives at August 31, 2025 were as follows:

Description	Estimated Service Life	2025
Furniture and fixtures	5 years	\$ 11,972
Machinery and equipment	3 - 5 years	7,486
		19,458
Less accumulated depreciation		(17,087)
		\$ 2,371

Depreciation expense for 2025 was \$810.

Intangible asset

Intangible assets are recorded at gross carrying amount and amortized over the asset's estimated useful life using the straight-line method. In 2023, LDSC developed an internal application for use in evaluating member performance. This application was completed at August 31, 2023, and was capitalized based on the costs incurred to develop the application. Future costs associated with the application that do not substantially modify the life of the application will be expensed as incurred. Costs associated for the application's development were \$10,000 and will be amortized over five years.

Amortization expense was \$2,000 for 2025. Accumulated amortization as of August 31, 2025 was \$4,000.

Leases

Leases in which LDSC enters a contract with a lessor and LDSC conveys control of the right-of-use to the lessor's nonfinancial asset (the underlying asset) as specified by the contract for a period of time in an exchange or exchange-like transaction result in right-of-use assets. If the lease is considered a short-term lease, a lease that, at the commencement date, has a lease term of 12 months or less and does not include an option to purchase the underlying asset the lessee is reasonably certain to exercise, the lease is not necessary to be included on the balance sheet under the guidance of ASC 842, *Leases*, as a right-of-use asset. Short-term lease payments are recognized on a straight-line basis over the lease term.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Vacation leave

Vacation leave is earned at varying rates for two to four weeks depending on length of service. A maximum of ten days of unused leave can be carried over to the subsequent year. Accordingly, \$7,300 related to such vacation leave has been accrued as of August 31, 2025.

Income taxes

LDSC is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

LDSC follows the provisions of FASB ASC 740-10, *Accounting for Uncertainty in Income Taxes*. LDSC's open audit periods are 2023 through 2025.

Pension plan

LDSC sponsors a Simplified Employee Pension Individual Retirement Account (SEP IRA) plan for eligible employees. Under the SEP IRA, LDSC makes discretionary employer contributions to each eligible employee's SEP IRA account based on a percentage of the employee's compensation, as allowed under Section 408(k) of the Internal Revenue Code. Employees do not make elective deferrals under this type of plan.

In accordance with plan provisions and amendments, LDSC generally contributes 12% of eligible employee compensation, however, LDSC is permitted to make contributions up to 20% if an employee elects not to participate in other employer-provided benefits.

All contributions to employee SEP IRAs are fully vested immediately, as required by SEP IRA regulations. For the year ended August 31, 2025, the LDSC contributed \$22,566 to the SEP IRA plan.

Functional expenses

The statement of functional expenses present expenses of LDSC's operations functionally between program and general and administrative expenses. Certain expenses have been directly allocated. Salaries, payroll tax and benefits, contract services, occupancy, retirement, supplies, recruitment, membership dues and other, and telephone are allocated to each function based on the percentage of actual salaries directly allocated to each function based upon level of effort related to that function. Membership costs are all treated as program expenses. External compliance costs are all treated as general and administrative costs

Subsequent events

In preparing these financial statements, LDSC has evaluated events and transactions for potential recognition or disclosure through January 28, 2026, which is the date the financial statements were available to be issued.

NOTE 2 - CERTIFICATE OF DEPOSIT

At August 31, 2025, LDSC held a certificate of deposits (CD) with market value and cost of \$61,436, maturing January 24, 2026. Interest earnings are reinvested into the CD when paid.

NOTE 3 - ECONOMIC DEPENDENCY

During the year ended August 31, 2025, LDSC received the majority of its revenues through Federal grants, as follows:

<u>Federal Grant</u>	<u>Amount</u>
Grant receivable, beginning of year	\$ 29,029
Revenues earned	734,729
Collections	<u>(743,359)</u>
Grant receivable, end of year	<u>\$ 20,399</u>

NOTE 4 - LEASES

LDSC entered into a twelve-month lease agreement to rent office space effective February 1, 2023; the lease expired and was renewed for a twelve-month period on January 31, 2024, with monthly rent expense of \$1,300. Effective October 1, 2024, this lease was terminated through an agreement with the lessor to initiate a lease at a new location. The new lease, initiated October 1, 2024, was effective for six months, with a monthly rent expense of \$2,000 and was extended for another twelve-month period on April 1, 2025. Due to the length of these leases, they are not considered right-of-use assets in accordance with ASU 842, *Leases*.

During 2025, rent expense was \$23,300 and is reflected on the statement of functional expenses as occupancy.

NOTE 5 - CONCENTRATIONS OF CREDIT RISK

Financial instruments which subject LDSC to concentrations of credit risk consist primarily of receivables. In addition, LDSC maintains cash in local banks, which may, at times, exceed the Federal Deposit Insurance Corporation limits. LDSC's uninsured balance as of August 31, 2025 was \$185,988.

The majority of LDSC's host site revenues are received from nonprofit organizations in southern Louisiana.

NOTE 6 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

LDSC's working capital and cash flows have annual variations during the year attributable to annual federal and state grants, and cash collections from host sites. LDSC structures its financial assets to meet operational needs and liabilities throughout the fiscal year.

NOTE 6 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS (CONTINUED)

LDSC's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

	2025
Cash	\$ 367,985
Certificate of deposit	61,436
Accounts receivable	27,000
Grants receivable	20,399
	<u>\$ 476,820</u>

NOTE 7 - LITIGATION

During the year ended August 31, 2025, LDSC became involved in a lawsuit with the United States government regarding federal funding. The action stemmed from the abrupt defunding of program funds from LDSC's AmeriCorps State Grant Agreement. A preliminary injunction was granted by the federal district court that ordered the grantor to continue funding until the case is settled. In the opinion of LDSC's legal council, there is a highly probable chance that there will be a favorable ruling and there will be no future interruptions in federal funding related to the matter.

NOTE 8 - SUBSEQUENT EVENT

Subsequent to year-end, LDSC received \$40,000 in grant proceeds from the Board and Commissions Fellowship Program supported through the League of Conservation Voters. The grant is intended to aid in funding a leadership development program for building skills for participants to serve effectively in elected office, such as policy development, understanding public budgets, parliamentary procedure, and others.

LOUISIANA DELTA SERVICE CORPS
D/B/A SERVE LOUISIANA
 Baton Rouge, Louisiana

**SCHEDULE OF COMPENSATION, BENEFITS, AND
 OTHER PAYMENTS TO AGENCY HEAD**

For the fiscal year ended August 31, 2025

(See Independent Auditors' Report)

Agency Head: Lisa Moore, Executive Director

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 117,981
Payroll taxes	8,371
Benefits - retirement	13,853
Benefits - insurance	13,356
Travel	2,102
Reimbursements	<u>1,700</u>
 Total	 <u>\$ 157,363</u>



**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***

Board of Directors
Louisiana Delta Service Corps
d/b/a Serve Louisiana
Baton Rouge, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the *Louisiana Governmental Audit Guide*, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of **LOUISIANA DELTA SERVICE CORPS D/B/A SERVE LOUISIANA (LDSC)** (a non-profit organization), which comprise the statement of financial position as of August 31, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 28, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered LDSC's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of LDSC's internal control. Accordingly, we do not express an opinion on the effectiveness of LDSC's internal control.

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

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2025-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether LDSC'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*.

LDSC's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on LDSC's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. LDSC's response on page 21 was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

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

This report is intended for the information of the Board of Directors, management, state and federal granting agencies, and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.


Faulk & Winkler, LLC
Certified Public Accountants

Baton Rouge, Louisiana
January 28, 2026

**LOUISIANA DELTA SERVICE CORPS
D/B/A SERVE LOUISIANA
Baton Rouge, Louisiana**

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

For the fiscal year ended August 31, 2025

1) Summary of Auditors' Results:

A) The type of report issued on the financial statements: **Unmodified opinion.**

B) Significant deficiency in internal control were disclosed by the audit of financial statements:
None reported.

C) Material weaknesses: **2025-001.**

D) Noncompliance that is material to the financial statements: **None reported.**

2) Findings relating to the financial statements reported in accordance with *Government Auditing Standards*: **2025-001.**

3) Findings relating to compliance reported in accordance with *Government Auditing Standards*: **2025-001.**

**LOUISIANA DELTA SERVICE CORPS
D/B/A SERVE LOUISIANA
Baton Rouge, Louisiana**

SUMMARY OF FINDINGS AND RECOMMENDATIONS

For the fiscal year ended August 31, 2025

4) FINDINGS – FINANCIAL STATEMENT FINDINGS

2025-001 Segregation of Duties

Year Finding Originated: 2022

Criteria: It is the responsibility of management to design, implement, and maintain adequate segregation of duties relevant to the preparation and fair presentation of the financial statements that are free of material misstatement, whether due to error or fraud.

Condition: During our audit, we obtained an understanding and tested LDSC’s internal control for purposes of planning and performing our audit procedures. In obtaining our understanding and testing LDSC’s internal controls, we determined there were inadequate segregation of duties involving certain aspects of the financial reporting cycle.

Cause: Due to the size of LDSC’s administrative staff, certain duties are performed by the same individual, as follows:

- Initiate and approve vendor invoices for payment,
- Write checks or initiating electronic disbursements,
- Initiate and approve reimbursements to themselves as the agency head,
- Access to check stock, check signing authority, and approval authorization.

The following responsibilities over cash receipts are performed by the same individual:

- Receive and open mail,
- Prepare bank deposits and deposit monies received,
- Invoices customers for services provided (host sites).

Effect: There is not adequate segregation of duties.

Recommendation: We recommend LDSC to continue its practice of involving members of the board and its contract accountant to be involved in the financial reporting process to the extent practical to mitigate the risks related to limited segregation of duties.

Views of Responsible Officials: See views of responsible officials on page 20.

**LOUISIANA DELTA SERVICE CORPS
D/B/A SERVE LOUISIANA
Baton Rouge, Louisiana**

SUMMARY OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS

For the fiscal year ended August 31, 2025

2024-001 Segregation of Duties: This item has been reclassified as 2025-001.



Board of Directors

Kellie Chavez Greene

Board President

Vice President of Programs at the
Greater New Orleans Foundation
*Alum

Tiffany Jeanminette MPA, PMP

Board Treasurer

CEO, Organizational Development
Consultant - Jeanminette Management &
Consulting, LLC

Kia Bickham

E Pluribus Unum Director,
Engagement

Donovan L. Segura, Ph.D.

Associate Vice Chancellor for Equity,
Diversity, Inclusion and Title IX Southern
University Agricultural Research and
Extension Center

Gerald Dean Scott

Disease Intervention Specialist Supervisor,
Louisiana Department of Health
*Alum

Jacob McCarty

Special Litigation Staff Attorney
Orleans Public Defenders
*Alum

Laneceya Russ-Martin

Program Officer at the Women's
Foundation of the South

Staff

Lisa Moore

Executive Director

Maggie Conarro

Program Director

January 28, 2026

Memo re: Views of Responsible Officials:

2025-001 Segregation of Duties:

Management Response: Due to the size of LDSC's administrative staff, complete segregation of duties is not economically feasible. We will ensure the areas recommended above are added to our current policy to the extent it is economically feasible.

Lisa Moore
Executive Director

Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures

LOUISIANA DELTA SERVICE CORPS

D/B/A SERVE LOUISIANA

Baton Rouge, Louisiana

For the year ended August 31, 2025



INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors
Louisiana Delta Service Corps
d/b/a Serve Louisiana
Baton Rouge, Louisiana

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal September 1, 2024 through August 31, 2025. Louisiana Delta Service Corps d/b/a Serve Louisiana (LDSC)'s management is responsible for those C/C areas identified in the SAUPs.

LDSC 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 September 1, 2024 through August 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 schedule of exceptions are as follows:

1. Written Policies and Procedures:

- A. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
 - 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, and (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate 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, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, 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 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- 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.

5. Non-Payroll Disbursements (excluding credit 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).

A listing of deposit sites was provided and included a total of one deposit site.

From the listing provided, we selected the deposit site and performed the procedures below.

- B. For each location selected under #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, 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/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 matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity, and
 - ii. Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5B, 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.

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 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.
 - ii. 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.
 - 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 a list of all terminated employees. Observe evidence that the selected terminated employees have been removed or disabled from the network.
- C. Randomly select 5 employees/officials, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency’s information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

LDSC has 2 employees with access to the agency’s information technology assets.

We selected both employees and performed the procedures below.

- 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

**LOUISIANA DELTA SERVICE CORPS
D/B/A SERVE LOUISIANA
Baton Rouge, Louisiana**

SCHEDULE OF EXCEPTIONS

For the year ended August 31, 2025

Exceptions:

LDSC is not required to comply with the annual sexual harassment training and sexual harassment policy requirements under R.S. 42:341, et seq. The Louisiana Code of Governmental Ethics is not applicable to LDSC, therefore no testing was performed over ethics. No exceptions were found as a result of applying the procedures listed above, except as follows:

Written Policies and Procedures:

1(A)(i)-(xii) - LDSC has no written policy on debt services, although the entity has no debt. LDSC has policies addressing purchasing, payroll/personnel, contracting, credit cards, and IT disaster recovery, however they do not meet certain minimum requirements.

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

5(B)(i)-(iv) - Only one employee is involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase, processing and approving payments to vendors. This employee also signs checks and has the ability to add/modify vendors.

5(C)(ii) - For all five of the selected disbursements, there was no evidence of segregation of duties.

Information Technology Disaster Recovery/Business Continuity:

A(i)-(iii) - We performed the procedure and discussed the results with management.


C - Of the two employees/officials selected, one of them did not complete cybersecurity training.

Management's response: Management is in agreement with the exceptions identified for policies and procedures. For non-payroll disbursements, management agrees with the exception but notes it is not economically feasible to achieve full segregation of duties. Safeguards have been put in place to mitigate the risks associated with the lack of segregation of duties, which include oversight and review from the board and accounting functions handled by a third party.

We were engaged by LDSC 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 LDSC 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.


Faulk & Winkler, LLC
Certified Public Accountants

Baton Rouge, Louisiana
January 28, 2026