

ROOTS OF MUSIC, INC.

Financial Statements

December 31, 2024

(With Independent Auditor's Report Thereon)

ROOTS OF MUSIC, INC.

Table of Contents

	<u>Page</u>
Independent Auditor's Report	1 - 3
Financial Statements:	
Statement of Financial Position	4
Statement of Activities	5
Statement of Functional Expenses	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 14
Other Supplementary Information:	
Schedule of Compensation, Benefits, and Other Payments to Agency Head	15
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	16 - 17
Schedule of Findings	18
Status of Prior Year Findings	19
Management's Corrective Actions	20 - 21



Stephen M. Griffin, CPA
Robert J. Furman, CPA

Howard P. Vollenweider, CPA
Jessica S. Benjamin
Racheal D. Alvey
Michael J. Caparotta, CPA

Michael R. Choate, CPA

American Society of Certified Public Accountants
Society of Louisiana CPAs

Independent Auditor's Report

**To the Board of Directors
Roots of Music, Inc.
New Orleans, Louisiana**

Opinion

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Roots of Music, Inc. as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Roots of Music Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 Roots of Music, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

205 E. Lockwood St.
Covington, LA 70433
Phone: (985) 727-9924
Fax: (985) 400-5026

2915 S. Sherwood Forest Blvd., Suite B
Baton Rouge, LA 70816
Phone: (225) 292-7434
Fax: (225) 293-3651

3711 Cypress St. #2
West Monroe, LA 71291
Phone: (318) 397-2472

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Roots of Music, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Roots of Music, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Other Information

Other 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 15 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 supplemental information 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 15, 2026 on our consideration of Roots of Music Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 Roots of Music, Inc.'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 Roots of Music, Inc.'s internal control over financial reporting and compliance.

Griffin & Furman, LLC

January 15, 2026

Covington, Louisiana

ROOTS OF MUSIC, INC.

Statement of Financial Position

December 31, 2024

Assets

Cash and cash equivalents:			
Unrestricted	\$	743,575	
Restricted		<u>108,000</u>	
Total cash and cash equivalents			851,575
Grants and contributions receivable			197,000
Prepaid expenses			3,614
Property and equipment, net			206,482
Right-of-use asset, net			<u>17,386</u>
Total assets			<u>\$ 1,276,057</u>

Liabilities and Net Assets

Liabilities:			
Accounts payable	\$	21,264	
Lease liability		17,817	
Accrued expenses		11,353	
Note payable		<u>178,758</u>	
Total liabilities			229,192
Net assets:			
Without donor restrictions		938,865	
With donor restrictions		<u>108,000</u>	
Total net assets			<u>1,046,865</u>
Total liabilities and net assets			<u>\$ 1,276,057</u>

See accompanying notes to the financial statements.

ROOTS OF MUSIC, INC.**Statement of Activities****For the Year Ended December 31, 2024**

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
Support and Revenues:			
Grants and contributions	\$ 1,460,688	297,000	1,757,688
Performance revenue	14,900	-	14,900
Interest income	1,597	-	1,597
Net assets released from restrictions	<u>297,000</u>	<u>(297,000)</u>	<u>-</u>
 Total support and revenues	 <u>1,774,185</u>	 <u>-</u>	 <u>1,774,185</u>
 Expenses:			
Program services:			
Music education	585,868	-	585,868
Academic support and membership	276,145	-	276,145
Healthy eating	53,254	-	53,254
Support services:			
General and administrative	281,513	-	281,513
Fundraising	<u>305,206</u>	<u>-</u>	<u>305,206</u>
 Total expenses	 <u>1,501,986</u>	 <u>-</u>	 <u>1,501,986</u>
 Change in net assets	 272,199	 -	 272,199
 Net assets - beginning of year	 <u>666,666</u>	 <u>108,000</u>	 <u>774,666</u>
 Net assets - end of year	 <u>\$ 938,865</u>	 <u>108,000</u>	 <u>1,046,865</u>

See accompanying notes to the financial statements.

ROOTS OF MUSIC, INC.

Statement of Functional Expenses

For the Year Ended December 31, 2024

	<u>Program Services</u>			<u>Support Services</u>		<u>Total</u>
	<u>Music Education</u>	<u>Academic Support and Mentorship</u>	<u>Healthy Eating</u>	<u>General and Administrative</u>	<u>Fundraising</u>	
Salaries	\$ 349,254	52,388	-	93,134	87,314	582,090
Student transportation	42,918	195,517	-	-	-	238,435
Professional fees	24,795	-	-	123,976	99,181	247,952
Depreciation and amortization	25,964	6,491	-	6,491	25,964	64,910
Operations	1,670	-	-	15,701	16,035	33,406
Employee benefits	31,015	4,652	-	8,271	7,754	51,692
Payroll taxes	26,717	4,008	-	7,125	6,680	44,530
Apparel	19,870	-	-	9,786	-	29,656
Facility repairs and maintenance	3,498	-	-	-	3,499	6,997
Occupancy	-	8,851	-	1,534	1,416	11,801
Interest	-	-	-	-	14,041	14,041
Travel	2,690	2,114	-	481	4,325	9,610
Food	1,145	1,718	53,254	-	1,145	57,262
Musical equipment / repairs	24,663	-	-	-	-	24,663
Insurance	-	-	-	-	22,562	22,562
Supplies	18,849	-	-	14,608	13,665	47,122
Berklee program	11,195	-	-	-	-	11,195
Utilities	1,625	406	-	406	1,625	4,062
Total expenses	\$ <u>585,868</u>	<u>276,145</u>	<u>53,254</u>	<u>281,513</u>	<u>305,206</u>	<u>1,501,986</u>

See accompanying notes to the financial statements.

ROOTS OF MUSIC, INC.

Statement of Cash Flows

For the Year Ended December 31, 2024

Cash flows from operating activities:		
Change in net assets	\$	272,199
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	\$	64,910
(Increases) decreases in assets:		
Grants and contributions receivable		(59,301)
Prepaid expenses		1,701
Increases (decreases) in liabilities:		
Accounts payable		11,518
Accrued expenses		966
Lease liability		<u>(34,715)</u>
Total adjustments		<u>(14,921)</u>
Net cash provided by operating activities		257,278
Cash flows from financing activities:		
Principal payments on note payable		<u>(17,612)</u>
Net cash used by financing activities		<u>(17,612)</u>
Net increase in cash and cash equivalents		239,666
Cash and cash equivalents, beginning of year		<u>611,909</u>
Cash and cash equivalents, end of year	\$	<u><u>851,575</u></u>
Reconciliation of cash and cash equivalents:		
Cash and cash equivalents - unrestricted	\$	743,575
Cash and cash equivalents - restricted		<u>108,000</u>
Total	\$	<u><u>851,575</u></u>
Non-cash investing and financing activities:		
Purchase of property and equipment through issuance of debt	\$	<u><u>196,370</u></u>

See accompanying notes to the financial statements.

ROOTS OF MUSIC, INC.

Notes to the Financial Statements

December 31, 2024

(1) Nature of Operations

On October 2, 2007, Roots of Music, Inc. (the Organization) was organized as a Louisiana nonprofit corporation. The Organization serves over 100 students, making up a full marching band that has live performances.

The Organization operates the following programs:

Music Education - The Organization provides music education to student ages 9 through 14 years old from low income households via the band program. The program includes music history and theory as well as instrumental instruction and ensemble performance preparation. In addition, the Organization offers an afterschool program in early music education for grades kindergarten and first and an audio engineering and studio production program for youth ages 15 through 19 years old.

Academic Support and Mentorship - The Organization provides transportation, academic support, and mentorship to reduce common barriers to participation and motivate students towards success in the program and scholastic pursuits.

Healthy Eating - The Organization provides students with hot meals to encourage healthy habits to maintain in their daily lives and into the future.

The following are supporting services:

Fundraising - Fundraising consists of events and performances which provide for operations and the mission of the Organization.

General and Administrative - General and administrative consists of oversight, general and financial operations, and technology maintenance for the Organization.

(2) Summary of Significant Accounting Policies

(a) Financial Statement Presentation

The Organization prepares its financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), which involves the application of accrual accounting; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred. The Organization reports information regarding financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions, based on donor stipulations and restrictions placed on contributions, if any.

(b) Net Assets Without Donor Restrictions

Net assets available for use in general operations and not subject to donor-imposed restrictions.

ROOTS OF MUSIC, INC.

Notes to the Financial Statements

December 31, 2024

(c) Net Assets With Donor Restrictions

Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

(d) Functional Allocation of Expenses

The costs of providing the program services and other activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. When possible, expenses are first allocated by direct identification, and then another allocation method if an expenditure benefits more than one program or function. The salary and payroll taxes of the executive director are allocated based on estimated time spent for each function. Occupancy is allocated based on square footage.

(e) Cash and Cash Equivalents

Cash consists of currency on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and have original maturities of three months or less from the date of acquisition.

(f) Restricted Cash and Cash Equivalents

Amounts included in restricted cash represent those required to be set aside by a contractual agreement. At December 31, 2024, \$108,000 was restricted for social services.

(g) Grants and Contributions Receivable

Grants and contributions receivable totaled \$197,000 at December 31, 2024. This balance includes \$137,000 related to state appropriation reimbursements for which allowable costs were incurred during the year and reimbursement is pending submission of required documentation. These amounts represent conditional contributions for which the conditions have been substantially met and are recorded as receivables at year-end.

The remaining \$60,000 represents an unconditional contribution receivable, which is donor-restricted for the purpose of funding a social worker position.

All grants and contributions receivable are expected to be collected within one year and are recorded at their estimated net realizable value. Management believes all grants and contributions receivable are fully collectible.

ROOTS OF MUSIC, INC.

Notes to the Financial Statements

December 31, 2024

(h) Income Taxes

The Organization is a nonprofit corporation under Internal Revenue Service Code Section 501(c)(3) and, therefore, is not subject to income taxes.

Accounting principles generally accepted in the United States of America provide accounting and disclosure guidance about positions taken by an entity in its tax returns that might be uncertain. The Organization believes that it has appropriate support for any tax positions taken, and management has determined that there are no tax positions that are material to the financial statements. Penalties and interest assessed by income taxing authorities, if any, would be included in income tax expense.

(i) Economic Dependency

The primary sources of revenue for the Organization are private contributions and grants. The success of the Organization is dependent upon the continued receipt of private contributions and grants.

(j) Revenue Recognition and Receivables

Grants and contributions are recorded as increases in net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions. When a donor restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor restricted and grant contributions, whose restrictions are met in the same reporting periods, are reported as net assets without donor restrictions.

Performance income is recognized when the performance obligation of the band performing as stipulated in the contract has occurred. Revenue from merchandise is recognized at the point of sale.

Special events revenue includes the cost of direct benefits to donors and contribution revenue. Direct benefits to donors for special events are generally received within the fiscal year the payments are received. If the direct benefits are received subsequent to the fiscal year end, revenue will be recognized in the period the benefits are received.

(k) Property and Equipment

Property and equipment are recorded at cost (or fair market value for donated assets) and depreciated using the straight-line method over the estimated useful lives of the related assets. The Organization capitalizes purchases of property and equipment in excess of \$1,500. Expenditures for maintenance and repairs are expensed as incurred.

(l) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

ROOTS OF MUSIC, INC.

Notes to the Financial Statements

December 31, 2024

(m) Donated Goods and Services

Donations of goods are recorded as contributions at their estimated fair value at the date of the donation. Donated services are recognized as contributions in accordance with the Not-for-Profit Entities Topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC), if the services (a) create or enhance nonfinancial assets, or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

(n) Advertising

Advertising costs are expensed as incurred and totaled \$3,917 for the year ended December 31, 2024 and are included in professional fees on the statement of functional expenses.

(3) Liquidity and Availability of Financial Assets

The Organization monitors its liquidity and operates under a budget so that it is able to meet its operating needs. In addition, the Organization receives significant support without donor restrictions; such support has historically represented approximately 90% of annual program funding needs.

The following table reflects the Organization's financial assets (cash, cash equivalents, and grants and contributions receivable) as of December 31, 2024:

Financial assets available within one year and free of donor or legal restrictions:	
Cash and cash equivalents	\$ 743,575
Grants and contributions receivable	197,000
Financial assets available within one year, subject to donor restrictions:	
Cash and cash equivalents	<u>108,000</u>
	<u>\$ 1,048,575</u>

(4) Property and Equipment

Property and equipment is summarized as follows:

Furniture, fixtures, and equipment	\$ 310,731
Less accumulated depreciation	<u>(104,249)</u>
Property and equipment, net	<u>\$ 206,482</u>

Depreciation of property and equipment amounted to 30,138 in 2024.

(5) Net Assets with Donor Restrictions

Net assets with donor restrictions totaled \$108,000 as of December 31, 2024.

ROOTS OF MUSIC, INC.

Notes to the Financial Statements

December 31, 2024

(6) Net Assets Released from Restrictions

Net assets totaling \$297,000 were released from donor restrictions for the year ended December 31, 2024. All was released due to the net assets being expended for the restricted purpose.

(7) Leases

Operating Lease

The Organization was previously in a lease that began in May 2018 and ended in 2023. In June 2023, the Organization entered into a new property lease agreement for office space used in its operations. The lease has a two-year term and requires monthly payments of \$3,000, which include both principal and interest. The lease does not include any renewal, purchase, or termination options, and the Organization does not have any residual value guarantees related to the leased property.

Upon commencement of the lease, the Organization recognized a right-of-use (ROU) asset and a corresponding lease liability in the amount of \$72,440. The lease is accounted for as an operating lease under ASC 842.

<u>Lease Balances at December 31, 2024</u>	<u>Amount</u>
Right-of-use asset, net	\$ 17,386
Lease liability – current portion	\$ 17,817

Total lease expense recognized for the year ended December 31, 2024, was approximately \$36,000, representing 12 months of payments under the lease agreement. Lease expense is included in occupancy expense on the accompanying statement of functional expenses.

The future minimum lease payments as of December 31, 2024, were as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ 18,000
Less: imputed interest	<u>(183)</u>
Present value of lease liability	<u>\$ 17,817</u>

ROOTS OF MUSIC, INC.

Notes to the Financial Statements

December 31, 2024

For the year ended December 31, 2024, other information related to the operating lease is as follows:

Right-of-use asset obtained in exchange for lease obligation \$	72,440
Weighted-average remaining lease term	0.5 years
Weighted-average discount rate	3.50%
Amortization of right-of-use asset	\$ 34,772

(8) Note payable

During 2024, the Organization entered into a financing arrangement to acquire musical instruments with a total cost of \$196,370. The instruments were financed through a note payable bearing interest at an annual rate of 11.39%. The note is payable in monthly installments over a 60-month term and is secured by the related musical instruments.

Principal payments totaling \$17,612 were made during the year ended December 31, 2024. Interest expense incurred related to the note payable totaled \$12,757 for the year ended December 31, 2024. The outstanding principal balance of the note payable at December 31, 2024 was \$178,758.

(9) Income Taxes

The Organization is a tax-exempt corporation under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provisions for federal and state income taxes have been recorded in the accompanying financial statements. The Organization's Forms 990, Return of Income Exempt from Income Tax, for the years 2022, 2023, and 2024 are subject to examination by the IRS, generally for three years after they were filed.

(10) Concentrations of Credit Risk

The Organization periodically maintains cash in bank accounts in excess of insured limits. The Organization has not experienced any losses and does not believe that significant credit risk exists as a result of this practice. There was \$486,532 in excess of the Federal Deposit Insurance Corporation limit as of December 31, 2024.

(11) Related Party Transactions

The Organization has a volunteer Board of Directors and received contributions of approximately \$127,866 from board members, companies in which board members have ownership, and immediate family of board members and management, during the year ended December 31, 2024.

ROOTS OF MUSIC, INC.

Notes to the Financial Statements

December 31, 2024

(12) Evaluation of Subsequent Events

Management has evaluated subsequent events through January 15, 2026, the date the financial statements were available to be issued. Subsequent to December 31, 2024, the Organization received a contribution of approximately \$2,000,000, which was donor-restricted for the purchase of a property consisting of three buildings, and purchased the property to be used in its operations. The acquisition was funded by a contribution from a family foundation of a member of the Organization's Board of Directors. Following the purchase, the Organization moved into and began using the property for program operations, thereby satisfying the donor-imposed restriction. These transactions represent an unrecognized subsequent event, as the conditions giving rise to the transactions did not exist as of December 31, 2024, and therefore no adjustment has been made to the accompanying financial statements for these events.

ROOTS OF MUSIC, INC.

**Schedule of Compensation, Benefits, and Other
Payments to Agency Head**

For the Year Ended December 31, 2024

**Schedule is not applicable as no compensation, benefits, or other
payments to the agency head are made from public funds.**



Stephen M. Griffin, CPA
Robert J. Furman, CPA

Howard P. Vollenweider, CPA
Jessica S. Benjamin
Racheal D. Alvey
Michael J. Caparotta, CPA

Michael R. Choate, CPA

American Society of Certified Public Accountants
Society of Louisiana CPAs

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

To the Board of Directors of
Roots of Music, Inc.
New Orleans, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Roots of Music, Inc. (a nonprofit corporation), which comprise the statement of financial position as of December 31, 2024 and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 15, 2026.

Report on Internal Control over Financial Reporting

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

205 E. Lockwood St.
Covington, LA 70433
Phone: (985) 727-9924
Fax: (985) 400-5026

2915 S. Sherwood Forest Blvd., Suite B
Baton Rouge, LA 70816
Phone: (225) 292-7434
Fax: (225) 293-3651

3711 Cypress St. #2
West Monroe, LA 71291
Phone: (318) 397-2472

www.griffinandco.com

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization'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 statement. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings as item 2024-1.

Roots of Music, Inc.'s Response to Findings

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

Purpose of this Report

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

Griffin & Furman, LLC

January 15, 2026

Covington, Louisiana

ROOTS OF MUSIC, INC.

Schedule of Findings

Year Ended December 31, 2024

Summary of Auditor's Results

1. Type of auditor's report issued - unmodified
2. Internal Control Over Financial Reporting
 - a. Significant Deficiencies - None
 - b. Material Weaknesses - None
3. Compliance and Other Matters - Yes (2024-1)
4. Management Letter - No

Finding 2024-1:

Criteria:

R.S. 24:513 provides that any state auditee must submit an audit report within six months of their fiscal year end.

Condition & Cause:

The Organization did not submit its financial report within the six-month deadline for the June 30, 2024 fiscal year end. The delay occurred because the Organization was unaware that receipt of public funds triggered a reporting requirement to the Louisiana Legislative Auditor, and the auditor was not informed that public funds had been received until after the six-month deadline had passed. The Organization had not previously received public funds and therefore had no prior reporting history with the Louisiana Legislative Auditor.

Effect:

The Organization is not in compliance with R.S. 24:513.

Recommendation:

We recommend that management implement procedures to monitor the receipt of public funds and communicate such receipts to the auditor on a timely basis to help ensure compliance with applicable reporting requirements.

ROOTS OF MUSIC, INC.
Status of Prior Year Findings
Year Ended December 31, 2024

Not applicable.

The Roots of Music
EMPOWERING THE YOUTH OF NEW ORLEANS
THROUGH MUSIC AND MENTORING



January 15, 2026

Griffin & Furman, LLC
205 E. Lockwood St.
Covington, LA 70433

Re: Fiscal Year 2024 Audit Schedule of Findings

Dear Mr. Furman,

In response to the above referenced Schedule of Findings, the Roots of Music, Inc. acknowledges the finding and agrees to take the following corrective actions.

Finding 2024-1:

Criteria:

R.S. 24:513 provides that any state auditee must submit an audit report within six months of their fiscal year end.

Condition & Cause:

The Organization did not submit its financial report within the six-month deadline for the June 30, 2024 fiscal year end. The delay occurred because the Organization was unaware that receipt of public funds triggered a reporting requirement to the Louisiana Legislative Auditor, and the auditor was not informed that public funds had been received until after the six-month deadline had passed. The Organization had not previously received public funds and therefore had no prior reporting history with the Louisiana Legislative Auditor.

Effect:

The Organization is not in compliance with R.S. 24:513.

Recommendation:

We recommend that management implement procedures to monitor the receipt of public funds and communicate such receipts to the auditor on a timely basis to help ensure compliance with applicable reporting requirements.

Management Corrective Action:

5010 Piety Drive, New Orleans, LA 70126 - (504) 460-2611 - info@therootsofmusic.org - therootsofmusic.org

The Executive Director, Derrick Tabb, will be responsible for implementing procedures to monitor the receipt of public funds and for communicating such receipts to the auditor on a timely basis to help ensure compliance with applicable reporting requirements. The anticipated completion date for implementation of these procedures is February 15, 2026.

Sincerely,



Derrick Tabb
Executive Director