EisnerAmper

THE LIGHTHOUSE FOR THE BLIND IN NEW ORLEANS, INC. d/b/a LIGHTHOUSE LOUISIANA

FINANCIAL STATEMENTS

DECEMBER 31, 2025

THE LIGHTHOUSE FOR THE BLIND IN NEW ORLEANS, INC.
d/b/a LIGHTHOUSE LOUISIANA

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EisnerAmper LLP
One Galleria Blvd.
Suite 2100
Metairie, LA 70001
T 504.837.5990
F 504.834.3609
www.eisneramper.com

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
The Lighthouse for the Blind in New Orleans, Inc. d/b/a Lighthouse Louisiana
New Orleans, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of The Lighthouse for the Blind in New Orleans, Inc. d/b/a Lighthouse Louisiana (the "Organization"), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for each of the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for each of the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). 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 the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for 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 GAAS 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 GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization'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 Organization'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 financial statements as a whole. The Schedule of Compensation, Benefits, and Other Payments to Agency Head 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 June 25, 2026, on our consideration of the Organization'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 Organization'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 Organization's internal control over financial reporting and compliance.

EisnerAmper LLP

EISNERAMPER LLP
Metairie, Louisiana
June 25, 2026

THE LIGHTHOUSE FOR THE BLIND IN NEW ORLEANS, INC.
d/b/a LIGHTHOUSE LOUISIANA

STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2025 AND 2024

ASSETS

	2025	2024
Assets		
Cash and cash equivalents	$ 1,109,772	$ 724,334
Accounts receivable, net	1,824,617	1,489,442
Grants receivable	264,617	266,627
Investments	4,562,823	4,230,903
Inventory	1,340,099	1,507,090
Prepaid expenses	135,838	77,371
Property and equipment, net	6,123,134	6,453,384
Total assets	$ 15,360,900	$ 14,749,151

LIABILITIES AND NET ASSETS

	2025	2024
Liabilities		
Accounts payable	$ 1,486,652	$ 1,542,835
Accrued expenses and other liabilities	250,714	260,883
Lines of credit	2,373,029	2,587,948
Total liabilities	4,110,395	4,391,666
Net Assets		
Without donor restrictions:		
Board designated	4,042,084	3,751,400
Undesignated	6,734,585	6,172,582
Total	10,776,669	9,923,982
With donor restrictions	473,836	433,503
Total net assets	11,250,505	10,357,485
Total liabilities and net assets	$ 15,360,900	$ 14,749,151

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

THE LIGHTHOUSE FOR THE BLIND IN NEW ORLEANS, INC.
d/b/a LIGHTHOUSE LOUISIANA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Totals
Support and Revenues			
Sales	$ 16,940,703	$ -	$ 16,940,703
Less cost of finished goods sold	10,594,010	-	10,594,010
Sales, net	6,346,693	-	6,346,693
Grants	2,282,425	-	2,282,425
Contributions	970,604	-	970,604
Investment income, net	567,483	56,362	623,845
Other	18,008	-	18,008
Total support and revenues	10,185,213	56,362	10,241,575
Net Assets Released From Restrictions			
Expiration of time restrictions and program restrictions satisfied through payments	16,029	(16,029)	-
Total support, revenues, and net assets released from restrictions	10,201,242	40,333	10,241,575
Expenses			
Program services	6,371,379	-	6,371,379
General and administrative	2,438,541	-	2,438,541
Fundraising	538,635	-	538,635
Total expenses	9,348,555	-	9,348,555
Change in Net Assets	852,687	40,333	893,020
Net Assets			
Beginning of year	9,923,982	433,503	10,357,485
End of year	$ 10,776,669	$ 473,836	$ 11,250,505

THE LIGHTHOUSE FOR THE BLIND IN NEW ORLEANS, INC.
d/b/a LIGHTHOUSE LOUISIANA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Totals
Support and Revenues			
Sales	$ 19,285,292	$ -	$ 19,285,292
Less cost of finished goods sold	12,977,796	-	12,977,796
Sales, net	6,307,496	-	6,307,496
Grants	1,229,787	-	1,229,787
Contributions	468,373	-	468,373
Investment income, net	411,102	50,422	461,524
Gain on disposal of assets	100,000	-	100,000
Other	21,498	-	21,498
Total support and revenues	8,538,256	50,422	8,588,678
Net Assets Released From Restrictions			
Expiration of time restrictions and program restrictions satisfied through payments	15,360	(15,360)	-
Total support, revenues, and net assets released from restrictions	8,553,616	35,062	8,588,678
Expenses			
Program services	5,764,807	-	5,764,807
General and administrative	2,302,422	-	2,302,422
Fundraising	458,823	-	458,823
Total expenses	8,526,052	-	8,526,052
Change in Net Assets	27,564	35,062	62,626
Net Assets			
Beginning of year	9,896,418	398,441	10,294,859
End of year	$ 9,923,982	$ 433,503	$ 10,357,485

THE LIGHTHOUSE FOR THE BLIND IN NEW ORLEANS, INC.
d/b/a LIGHTHOUSE LOUISIANA

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025

	Program Services	General and Administrative	Fundraising	Totals
Bad debt expense (Recovery of bad debt)	$ 17,936	$ (66,693)	$ -	$ (48,757)
Commissions	556,652	-	-	556,652
Computer, copier, and equipment services	189,277	215,511	1,157	405,945
Depreciation	336,202	45,852	26,808	408,862
Dues and subscriptions	2,941	74,682	323	77,946
Freight	647,643	4,189	46	651,878
General insurance	435,514	39,495	9,295	484,304
Insurance - employees	312,305	119,633	46,751	478,689
Interest and bank fees	3,777	257,138	3,322	264,237
Low vision devices for clients	28,937	24	-	28,961
Miscellaneous	233,709	62,042	192,039	487,790
Professional fees	312,790	275,270	11,212	599,272
Repairs - building	74,990	14,942	-	89,932
Repairs - equipment	101,478	5,219	-	106,697
Retirement plan contributions	92,309	28,229	4,453	124,991
Salaries, labor, and payroll taxes	2,640,602	1,180,738	224,288	4,045,628
Staff training and recruiting	14,482	9,881	2,780	27,143
Supplies and postage	68,346	18,635	1,401	88,382
Travel, food, and entertainment	63,810	30,505	3,218	97,533
Utilities, telephone, and trash disposal	217,424	123,208	11,542	352,174
Vehicle operation and repair	20,255	41	-	20,296
	$ 6,371,379	$ 2,438,541	$ 538,635	$ 9,348,555

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

THE LIGHTHOUSE FOR THE BLIND IN NEW ORLEANS, INC.
d/b/a LIGHTHOUSE LOUISIANA

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Program Services	General and Administrative	Fundraising	Totals
Bad debt expense	$ 35,353	$ 679	$ -	$ 36,032
Commissions	571,973	-	-	571,973
Computer, copier, and equipment services	83,342	133,024	1,084	217,450
Depreciation	545,327	44,035	26,808	616,170
Dues and subscriptions	2,228	71,781	3,173	77,182
Freight	715,100	6,852	52	722,004
General insurance	343,605	15,209	7,272	366,086
Insurance - employees	326,932	130,452	35,124	492,508
Interest and bank fees	1,393	299,908	465	301,766
Low vision devices for clients	86,321	-	-	86,321
Miscellaneous	66,845	64,166	133,261	264,272
Professional fees	21,915	261,534	28,663	312,112
Repairs - building	10,178	68,547	-	78,725
Repairs - equipment	97,851	20	-	97,871
Retirement plan contributions	90,683	20,428	204	111,315
Salaries, labor, and payroll taxes	2,360,021	959,860	203,966	3,523,847
Staff training and recruiting	6,022	6,190	1,912	14,124
Supplies and postage	95,247	24,878	1,826	121,951
Travel, food, and entertainment	95,044	26,786	3,527	125,357
Utilities, telephone, and trash disposal	209,427	168,073	11,486	388,986
	$ 5,764,807	$ 2,302,422	$ 458,823	$ 8,526,052

THE LIGHTHOUSE FOR THE BLIND IN NEW ORLEANS, INC.
d/b/a LIGHTHOUSE LOUISIANA

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
Cash Flows from Operating Activities:		
Change in net assets	$ 893,020	$ 62,626
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Bad debt expense (recoveries)	(48,757)	36,032
Depreciation	408,862	616,170
Gain on disposal of property and equipment	-	(100,000)
Net realized and unrealized gains on investments	(623,845)	(461,524)
Changes in operating assets and liabilities		
Accounts receivable	(286,418)	(271,999)
Grants receivable	2,010	30,844
Inventory	166,991	66,820
Prepaid expenses	(58,467)	(7,046)
Accounts payable	(56,183)	(420,957)
Accrued expenses and other liabilities	(10,169)	(6,291)
Net cash provided by (used in) operating activities	387,044	(455,325)
Cash Flows from Investing Activities:		
Purchases of property and equipment	(78,612)	(475,838)
Proceeds from sale of property and equipment	-	100,000
Proceeds from sale of investments	1,312,471	1,453,268
Purchases of investments	(1,020,546)	(1,407,486)
Net cash provided by (used in) investing activities	213,313	(330,056)
Cash Flows from Financing Activities:		
Proceeds from lines of credit	74,081	80,105
Payments on lines of credit	(289,000)	(30,000)
Net cash (used in) provided by financing activities	(214,919)	50,105
Net Increase (Decrease) in Cash and Cash Equivalents	385,438	(735,276)
Cash and Cash Equivalents		
Beginning of year	724,334	1,459,610
End of year	$ 1,109,772	$ 724,334
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for interest	$ 198,347	$ 232,165

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

1. Summary of Significant Accounting Policies

Organization

The Lighthouse for the Blind in New Orleans, Inc. d/b/a Lighthouse Louisiana (the Organization) is a non-profit organization dedicated to promoting independence for people who are blind and visually impaired by providing programs that focus on economic opportunity and self-reliance. The Organization's manufacturing facilities create jobs for people who are blind. The Organization's manufactured products include custom printed and stock hot and cold cups, single-fold paper towels, pillowcases, and deck swabs. In addition to a core, modern manufacturing operation that employs people with vision impairments, the Organization offers a range of independent living, competitive employment, and health related services. The Organization is headquartered in New Orleans, Louisiana.

Basis of Accounting and Presentation of Net Assets

The accompanying financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States (U.S. GAAP), which require the Organization to report financial information regarding its financial position and activities according to the following net asset classifications:

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 the Organization's 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 the passage of time or other events specified by the donor. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is 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 are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates, and those differences could be material.

Cash and Cash Equivalents

Cash includes amounts on deposit at financial institutions. Cash equivalents represent cash demand deposits and all highly liquid investments available for current use with an initial maturity of three months or less.

1. Summary of Significant Accounting Policies (continued)

Accounts and Grants Receivable

Accounts receivable are uncollateralized customer obligations generally due within 30 days and do not bear interest. Accounts receivable are stated at amounts due from customers, net of an allowance for credit losses. The allowance for credit losses is estimated based on the Organization's historical losses with consideration of reasonable and supportable forecasts, the existing economic conditions, and the financial stability of its customers. In the absence of current economic conditions and/or forecasts that may affect future credit losses, the Organization has determined that recent historical experience provides the best basis for estimating credit losses. At each reporting date, the estimate is updated to reflect any changes in credit risk since the receivable was initially recorded. Management closely monitors outstanding accounts receivable and charges off to expense any balances that are determined to be uncollectable and establishes an allowance for estimated uncollectable accounts receivable. Receivables are written off when management deems collectability is doubtful. The allowance for credit losses as of December 31, 2025 and 2024 was $202,735 and $165,494, respectively.

Grants receivable are stated at the amount management expects to collect from outstanding balances. Management determines the allowance for uncollectable grants receivable based on historical experience with consideration of reasonable and supportable forecasts, an assessment of economic conditions, and a review of subsequent collections. Grants receivable are written off when deemed uncollectable. The Organization considers grants receivable to be fully collectable since the balance consists principally of payments due under governmental contracts; therefore, management determined no allowance was required as of December 31, 2025 and 2024.

Inventory

Inventory of raw materials and the retail store inventories are valued at the lower of cost using the first-in, first-out method or net realizable value. Finished goods are valued at the weighted moving average costs developed for the individual items on the basis of current material and burden rates at the completion of production. The burden is an estimate of the direct labor on overhead cost related to a completed product.

Investments

The Organization records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment income is reported in the statements of activities and consists of interest and dividend income and realized and unrealized capital gains and losses, less external investment expenses.

The Organization maintains beneficial interests in assets at the Greater New Orleans Foundation (GNOF), which are included in investments on the statements of financial position. The beneficial interests are in investment pools managed by Cambridge Associates, who monitor investment returns for the beneficial interests. See Note 6 for further information on the market value of the beneficial interests.

1. Summary of Significant Accounting Policies (continued)

Property and Equipment

Property and equipment is stated at cost, net of accumulated depreciation. The Organization records property and equipment additions over $5,000 at cost, or if donated, at fair value on the date of donation. Depreciation is provided principally on the straight-line method, over the following estimated useful lives:

Building and improvements	10 - 50 years
Furniture and equipment	5 - 10 years
Machinery and equipment	5 - 20 years
Vehicles	5 years
Computer equipment	3 - 5 years

When assets are sold or otherwise disposed of, the cost and related depreciation are removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

Construction in progress (CIP) is capitalized as part of the Organization’s assets. Expenses directly associated with the project are recorded in the CIP account during construction. These costs remain in CIP until project completion, then they are transferred to a fixed asset account, and depreciation begins.

Management reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the years ended December 31, 2025 and 2024.

Leases

The Organization recognizes lease right-of-use assets and related lease liabilities for operating leases other than those considered short-term. A short-term operating lease has an original term of 12 months or less and does not have a purchase option that is likely to be exercised.

The Organization evaluates whether its contractual arrangements contain leases at the inception of such arrangements. In recognizing lease right-of-use assets and related lease liabilities, the Organization accounts for lease and non-lease components (such as taxes, insurance, and common area maintenance costs) as one lease component. Lease payments over the expected term are discounted by applying the discount rate of the U.S. Treasury yield curve rate to all leases subject to capitalization requirements, adjusted for the varying lease terms. The Organization also considers renewal and termination options in the determination of the term of the lease. If it is reasonably certain that a renewal or termination option will be exercised the effects of such options are included in the determination of the expected lease term.

The Organization does not have any material leases that require disclosure.

1. Summary of Significant Accounting Policies (continued)

Revenue and Revenue Recognition

Revenue from product sales are recognized when control of the goods is transferred to the customer, which occurs at a point in time, upon shipment to the customer. The Organization recognizes shipping and handling fees billed to customers when control of the product is transferred. Based upon the nature of the products the Organization sells, its customers have limited rights of return, whose effects on the financial statements are immaterial.

Revenue from product sales is measured as the amount of consideration the Organization expects to receive in exchange for transferring goods.

Service fees primarily consist of switchboard and deaf and employment services provided to governmental and other commercial clients. Rates for these services vary depending on the type of services provided and can be based on a per job, per hour basis. Service fees are recognized when performance obligations are satisfied, in an amount that reflects the consideration the Organization expects to be entitled to in exchange for services rendered. Specifically, if the Organization has the right to consideration from a customer in an amount that corresponds directly with the value of the Organization's performance obligation completed to date (in which the Organization bills a fixed amount for each hour of service provided), the Organization recognizes revenue in the amount to which it has a right to invoice services performed. The Organization believes that the use of this "as invoiced" practical expedient is an accurate reflection for the performance obligation completed.

The Organization does not have any material significant payment terms as payment is received shortly after the point of sale or service.

Sales taxes collected from customers, where applicable, are remitted to the appropriate taxing jurisdictions and are excluded from sales revenue as the Organization considers itself a pass-through conduit for collecting and remitting sales taxes. The Organization does not have any material outstanding performance obligations, contract assets and liabilities or capitalized contract acquisition costs.

The Organization recognizes substantially all of its revenue on a gross basis as a principal. When assessing whether the Organization is acting as a principal or an agent, the Organization considers the indicators that an entity controls the specified good or service before it is transferred to the customer. The Organization believes it earns substantially all revenue as a principal from the sale of products because the Organization is responsible for the fulfillment and acceptability of products purchased. Additionally, the Organization holds the general inventory risk for the products, as it takes title to the products before the products are ordered by customers and maintains products in inventory.

The Organization recognizes contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give – that is, those with measurable performance or other barriers and right of return (or release) – are not recognized until the conditions on which they depend have been substantially met.

Revenues from federal and state grants are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. Consequently, at December 31, 2025 and 2024, contributions approximating $9,262,724 and $10,468,729, respectively, have not been recognized on the accompanying statements of activities because the conditions upon which they depend have not yet been met. As of December 31, 2025 and 2024, there were no advanced payments made.

1. Summary of Significant Accounting Policies (continued)

Revenue and Revenue Recognition (continued)

Donated marketable securities and other non-cash donations are recorded as contributions at their estimated fair values at the date of donation.

Income Taxes

The Organization is a not-for-profit corporation organized under the laws of the State of Louisiana. It is exempt from Federal income tax under Section 50l(c)(3) of the Internal Revenue Code, and qualifies as an organization that is not a private foundation as defined in Section 509(a) of the Code. It is also exempt from Louisiana income tax under the authority of R.S. 47: 121(5).

The Organization has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Organization has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Functional Allocation of Expenses

The costs of program and supporting services have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The majority of expenses have been specifically identified with a program or supporting service. Certain costs related to employee wages and corresponding benefits have been allocated among the programs and supporting services benefited using appropriate methodologies such as time and effort.

2. Availability and Liquidity

The Organization regularly monitors the availability of resources required to meet its operating needs and other contractual commitments, while also striving to maximize the investments of its available funds.

The following presents the Organization's financial assets available for general expenditures within one year at December 31:

	2025	2024
Financial assets at year end:		
Cash and cash equivalents	$ 1,109,772	$ 724,334
Accounts receivable, net	1,824,617	1,489,442
Grants receivable	264,617	266,627
Investments	4,562,823	4,230,903
Total financial assets at year-end	7,761,829	6,711,306
Less amounts not available to be used within one year		
Net assets with donor restrictions	473,836	433,503
Board designated net assets without donor restrictions	4,042,084	3,751,400
	4,515,920	4,184,903
Financial assets available to meet general expenditures over the next twelve months	$ 3,245,909	$ 2,526,403

Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

The Organization's Board of Directors (the Board) designated net assets without restrictions above are subject to an annual spending rate of 5%. Although the Organization does not intend to spend above the 5% appropriated for general expenditure as part of the Board's annual budget approval and appropriation process, these amounts could be made available through Board approval, if necessary.

In addition, the Organization has two lines of credit with $1,643,190 available to meet cash flow needs at December 31, 2025. See Note 8.

3. Designated Net Assets

The Organization's Board of Directors approved the designation of certain net assets without donor restrictions solely for the purpose of expenditures attributable to the long-term preservation of the sites of Lighthouse Louisiana, the maintenance and development of the existing buildings, the acquisition of equipment and real property, and to support special need programs and grants. These funds are maintained in cash and investment accounts.

4. Restrictions on Net Assets

Net assets with donor restrictions were as follows as of December 31:

	2025	2024
Ivy Brown Fund	$ 100,752	$ 92,013
Music Fund	35,100	31,530
Auxiliary Fund	14,878	14,878
George G. Villere Endowment Fund	323,106	295,082
Totals	$ 473,836	$ 433,503

Mrs. Ivy Brown willed part of her estate to the Organization. The will stated that the bequest will be kept in trust by GNOF, a pooled investment account. The amount available to be used is restricted to a certain annual percentage.

The Bunny Cumberland Music Fund grant was received in memory of a benefactor and was restricted for use in programs promoting the learning and enjoyment of music by sight impaired persons.

The Lighthouse for the Blind in New Orleans, Inc.'s Auxiliary Fund maintains its cash account in the Organization.

The George G. Villere Endowment Fund consists of the endowment fund and earnings thereon. See Note 9.

5. Inventory

Inventories are comprised of the following as of December 31:

	2025	2024
Finished goods	$ 698,742	$ 1,197,545
Raw materials	641,357	309,545
Totals	$ 1,340,099	$ 1,507,090

6. Fair Value of Financial Instruments

The Organization reports certain assets at fair value in the financial statements. Fair value is the price that would be received to sell an asset in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets that the Organization can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable for the asset, and market-corroborated inputs.

Level 3: Unobservable inputs for the asset. In these situations, the Organization develops inputs using the best information available in the circumstances.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2025 and 2024. As of December 31, 2025 and 2024, there were no assets measured at fair value on a nonrecurring basis.

Equities, exchange traded funds, and mutual funds: Valued at the closing price reported on the active market on which the individual securities or commodities are traded.

U.S. government and agency securities and corporate bonds: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields available on comparable securities of issuers with similar credit ratings.

Beneficial interest in assets held by others (pooled assets): Valued based on the fair value of fund investments as reported by GNOF.

Other real estate: The Organization has reported its investment in certain real estate holdings as Level 3 fair value assets. These assets are valued at their fair value at the date of donation or historical cost, if purchased, which approximates their estimated appraised values.

Hedge funds: Valued using NAV (or its equivalent) as a practical expedient and, therefore, not categorized in the fair value hierarchy in accordance with Accounting Standards Codification Subtopic 820-10. As of December 31, 2025 and 2024, there are no unfunded commitments related to this investment.

The methods described on the previous page may produce a fair value calculation that may not be indicative of net realizable values or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

6. Fair Value of Financial Instruments (continued)

The following table sets forth by level within the fair value hierarchy the Organization's investment assets at fair value as of December 31, 2025:

	Level 1	Level 2	Level 3	Total
Equities	$ 1,564,927	$ -	$ -	$ 1,564,927
Exchange traded funds	938,921	-	-	938,921
Mutual funds	729,628	-	-	729,628
U.S. government and agency securities	-	300,970	-	300,970
Pooled assets	-	423,857	-	423,857
Other real estate	-	-	62,691	62,691
	$ 3,233,476	$ 724,827	$ 62,691	4,020,994
Hedge funds				481,932
Cash, at cost				59,897
Total investments				$ 4,562,823

The following table sets forth by level within the fair value hierarchy the Organization's investment assets at fair value as of December 31, 2024:

	Level 1	Level 2	Level 3	Total
Equities	$ 1,453,885	$ -	$ -	$ 1,453,885
Exchange traded funds	853,587	-	-	853,587
Mutual funds	695,910	-	-	695,910
U.S. government and agency securities	-	284,480	-	284,480
Pooled assets	-	387,094	-	387,094
Other real estate	-	-	62,691	62,691
	$ 3,003,382	$ 671,574	$ 62,691	3,737,647
Hedge funds				444,459
Cash, at cost				48,797
Total investments				$ 4,230,903

7. Property and Equipment

Property and equipment consist of the following at December 31:

	2025	2024
Buildings and improvements	$ 9,839,360	$ 9,839,360
Machinery and equipment	8,739,725	8,739,725
Computer equipment	465,143	465,144
Furniture and equipment	318,361	318,361
Vehicles	270,063	189,517
Construction in progress	183,067	185,000
	19,815,719	19,737,107
Less accumulated depreciation	(13,692,585)	(13,283,723)
Property and equipment, net	$ 6,123,134	$ 6,453,384

8. Lines of Credit

The Organization entered into an unsecured line of credit with a local bank with a borrowing limit of $1,800,000. The line of credit is renewed annually. The last renewal closed on November 3, 2025, and matures on November 3, 2026. The interest rate is the Wall Street Journal Prime borrowing rate which was 6.75% and 8.75% as of December 31, 2025 and 2024, respectively. The line of credit is secured by an agreement granting the bank a security interest in the Organization's accounts receivable. As of December 31, 2025 and 2024, the balance outstanding under the line of credit was $1,534,494 and $1,574,494, respectively.

During 2023, the Organization entered into another line of credit with a local bank with a borrowing limit up to the balance of the Organization's investment accounts. The line of credit has no set term. The interest rate is a spread borrowing rate derived by the bank which was 7.25% as of December 31, 2025 and 2024. The line of credit is secured by the Organization's investment portfolio. As of December 31, 2025 and 2024, the balance outstanding under the line of credit was $838,535 and $1,013,454, respectively.

9. George G. Villere Endowment

The Board of Directors of the Organization is of the belief that they have a strong fiduciary duty to manage the assets of the Organization's George G. Villere Endowment (the endowment) in the most prudent manner possible. The Board recognizes the intent of the endowment is to protect the donor with respect to expenditures from the endowment. If this intent is clearly expressed by the donor, whether the intent is in a written gift instrument or not, the intent of the donor is followed. Earnings, including appreciation, that are not required by the donor to be reinvested in corpus are maintained in net assets with restrictions until released.

The Endowments. The Organization's George G. Villere Endowment consists of one fund established in 2017 for support of operations or direct services for people who have visual and other disabilities. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

9. George G. Villere Endowment (continued)

Interpretation of Relevant Law. The Board of Directors has interpreted the Uniform Prudent Management Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted George G. Villere Endowment, unless there are explicit donor stipulations to the contrary. At December 31, 2025 and 2024, there were no such donor stipulations. As a result of this interpretation, the Organization retains in perpetuity (a) the original value of initial and subsequent gift amounts donated to the George G. Villere Endowment and (b) any accumulations to the George G. Villere Endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added.

Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA. The Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- the duration and preservation of the fund;
- the purposes of the Organization and the donor-restricted endowment fund;
- general economic conditions;
- the possible effect of inflation and deflation;
- the expected total return from income and the appreciation of investments;
- other resources of the Organization; and
- the investment policies of the Organization.

Changes in net assets of the George G. Villere Endowment for the year ended December 31, 2025 are as follows:

	Without Donor Restriction	With Donor Restriction	Total
Donor-restricted endowment funds, beginning of year	$ -	$ 295,082	$ 295,082
Investment return, net	-	38,825	38,825
Amounts appropriated for expenditure	-	(10,801)	(10,801)
Donor-restricted endowment funds, end of year	$ -	$ 323,106	$ 323,106

9. George G. Villere Endowment (continued)

Changes in net assets of the George G. Villere Endowment for the year ended December 31, 2024 are as follows:

	Without Donor Restriction	With Donor Restriction	Total
Donor-restricted endowment funds, beginning of year	$ -	$ 275,654	$ 275,654
Investment return, net	-	30,206	30,206
Amounts appropriated for expenditure	-	(10,778)	(10,778)
Donor-restricted endowment funds, end of year	$ -	$ 295,082	$ 295,082

The original donor-restricted gift amount of $225,000 is required by the donor to be maintained in perpetuity.

Funds with Deficiencies. From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that either the donor or UPMIFA requires the Organization to retain as a fund of perpetual duration. These deficiencies can result from unfavorable market fluctuations that occur after the investment of contributions with donor restrictions. There were no such deficiencies in net assets with donor restrictions as of December 31, 2025 and 2024.

Return Objectives and Risk Parameters. Assets in the George G. Villere Endowment include donor restricted funds that are held by GNOF. The endowment attempts to provide a predictable stream of funding to programs supported by the endowment while seeking to maintain the purchasing power of these endowment assets over the long-term.

Strategies Employed for Achieving Objectives. Assets in the George G. Villere Endowment are invested in pooled investments that consist of a well-diversified asset mix, which includes equity securities, fixed income securities and alternative investments that are intended to meet this objective. GNOF has established a 5% rate of return objective for the portfolio. Actual returns in any given year may vary from this amount. Investment assets and the allocation among asset classes and strategies are managed to not expose the endowment asset to unacceptable levels of risk.

Spending Policy and How Investment Objectives Relate to the Spending Policy. The current spending policy makes available on an annual basis 4% of the 12-quarter rolling average market value of the funds. The cutoff for the calculation is September 30th of each year to enable GNOF staff to perform the calculations for the upcoming year. All new endowment funds must be invested for four full quarters prior to December 31 of each year in order for any appropriation to be made.

10. Lease Commitment

The Organization leases land used as a parking lot from the City of New Orleans under a lease agreement which expires in 2030 with payments of $4,800 per year. This lease is automatically extended for two additional terms of 15 years each unless the lessee gives notice of its intent not to renew at least 30 days prior to the expiration of the current lease. Lease expense for both years ended December 31, 2025 and 2024 was $4,800.

Future lease commitments are as follows:

Year Ending December 31,	Amount
2026	$ 4,800
2027	4,800
2028	4,800
2029	4,800
2030	4,800
Total	$ 24,000

11. Major Customers and Suppliers

The Organization has a concentration of credit risk as a result of sales to the top six major customers. Approximate sales to these customers as a percentage of total sales for the years ended December 31 are as follows:

	2025	2024
Sales	$ 12,109,732	$ 14,574,963
Percentage of total sales	71%	76%

Approximate accounts receivable balances as a percentage of total accounts receivable for the Organization's six major customers as of December 31 are as follows:

	2025	2024
Accounts receivable, net	$ 1,626,591	$ 1,021,758
Percentage of total accounts receivable, net	89%	58%

11. Major Customers and Suppliers (continued)

The Organization has a concentration of credit risk as a result of purchasing from the top three major suppliers. Approximate purchases from these suppliers as a percentage of total cost of finished goods sold for the years ended December 31 are as follows:

	2025	2024
Purchases	$ 4,226,226	$ 1,414,005
Percentage of cost of finished goods sold	40%	11%

12. Employee Benefit Plan

The Organization sponsors a profit-sharing 403(b) plan, which covers substantially all employees. The plan allows the Organization to make discretionary contributions by matching a percentage of employee contributions limited by Federal tax law. Total employer matching expense for the years ended December 31, 2025 and 2024 was $124,991 and $111,315, respectively.

13. Concentrations of Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist primarily of cash and cash equivalents. The Organization maintains its cash and cash equivalents in various bank accounts that, at times, may exceed federally insured limits. The Organization has not experienced, nor does it anticipate, any losses with respect to such accounts.

14. Risk and Uncertainties

In general, investment securities are exposed to various risks, such as interest rate, credit, and market volatility. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in risk in the near term would materially affect the fair market value of investments held by the Organization.

15. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 25, 2026, and determined that there were no events requiring disclosure. No events occurring after this date have been evaluated for inclusion in these financial statements.

SUPPLEMENTAL SCHEDULE

LIGHTHOUSE FOR THE BLIND IN NEW ORLEANS, INC.
d/b/a LIGHTHOUSE LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS,
AND OTHER PAYMENTS TO AGENCY HEAD
YEAR ENDED DECEMBER 31, 2025

Agency Head: Dee Budgewater, President

Purpose	Amount
Salary	$ 239,038
Benefits - insurance	19,463
Benefits - retirement	6,498
Benefits - other	-
Car / travel allowance	5,500
Vehicle provided by government	-
Per diem	-
Reimbursements	350
Travel	12,377
Registration fees	2,780
Conference travel	-
Housing	-
Unvouchered expenses	-
Special meals	1,113
	$ 287,119

EisnerAmper LLP
One Galleria Blvd.
Suite 2100
Metairie, LA 70001
T 504.837.5990
F 504.834.3609
www.eisneramper.com

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*

To the Board of Directors
The Lighthouse for the Blind in New Orleans, Inc. d/b/a Lighthouse Louisiana
New Orleans, Louisiana

We have audited, 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 (*Government Auditing Standards*), the financial statements of The Lighthouse for the Blind in New Orleans, Inc. d/b/a Lighthouse Louisiana (the Organization), which comprise the statement of financial position as of December 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 June 25, 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 organization'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 be material weaknesses. However, material weaknesses or significant deficiencies 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 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 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.

EisnerAmper LLP

EISNERAMPER LLP
Metairie, Louisiana
June 25, 2026

THE LIGHTHOUSE FOR THE BLIND IN NEW ORLEANS, INC.
d/b/a LIGHTHOUSE LOUISIANA

SCHEDULE OF FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2025

Section I - Summary of Independent Auditors' Results

a) Financial Statements

Type of auditors' report issued: unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ____Yes _X_No
- Significant deficiency(ies) identified that are not considered to be a material weakness? ___Yes _X_ None reported

Noncompliance material to financial statements noted? ___Yes_X_No

Section II – Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards*:

None noted.

THE LIGHTHOUSE FOR THE BLIND IN NEW ORLEANS, INC.
d/b/a LIGHTHOUSE LOUISIANA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2025

No findings were reported in the prior year.

EISNERAMPER

THE LIGHTHOUSE FOR THE BLIND
IN NEW ORLEANS, INC.
d/b/a LIGHTHOUSE LOUISIANA

SINGLE AUDIT REPORT

DECEMBER 31, 2025

THE LIGHTHOUSE FOR THE BLIND IN NEW ORLEANS, INC.
d/b/a LIGHTHOUSE LOUISIANA

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EisnerAmper LLP
One Galleria Blvd.
Suite 2100
Metairie, LA 70001
T 504.837.5990
F 504.834.3609
www.eisneramper.com

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

To the Board of Directors of
The Lighthouse for the Blind in New Orleans, Inc. d/b/a Lighthouse Louisiana
New Orleans, Louisiana

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited The Lighthouse for the Blind in New Orleans, Inc. d/b/a Lighthouse Louisiana's (the "Organization") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Organization's major federal program for the year ended December 31, 2025. The Organization's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2025.

Basis for Opinion on the Major Federal Program

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

We are required to be independent of the Organization 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 opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2025-001. Our opinion on the major federal program is not modified with respect to this matter.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2025-001, that we consider to be a significant deficiency.

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

The Organization's Response to Findings

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

Purpose of this Report

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the Organization as of and for the year ended December 31, 2025, and have issued our report thereon dated June 25, 2026, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

EisnerAmper LLP

EISNERAMPER LLP
Metairie, Louisiana
June 25, 2026

THE LIGHTHOUSE FOR THE BLIND IN NEW ORLEANS, INC.
d/b/a LIGHTHOUSE LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2025

Federal Grantor / Pass-Through Grantor / Program Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Federal Expenditures
United States Department of Education			
Direct Award			
Pathways To Success: Creating a 21st Century Workforce	84.421F	N/A	$ 1,069,465
Passed through Louisiana Workforce Commission			
Independent Living Services for Older Individuals Who Are Blind	84.177B	2000697397	64,554
Total Passed through Louisiana Workforce Commission			64,554
Total United States Department of Education			1,134,019
Social Security Administration			
Direct Award			
Social Security - Work Incentives Planning and Assistance (WIPA) Program	96.008	N/A	320,726
Total Social Security Administration			320,726
Total expenditures of federal awards			$ 1,454,745

See accompanying notes to schedule of expenditures of federal awards.

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2025

(1) Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of The Lighthouse for the Blind in New Orleans, Inc. d/b/a Lighthouse Louisiana (the "Organization") under programs of the federal government for the year ended December 31, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

(2) Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in accordance with the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in the Schedule may differ from amounts presented, or used in the preparation of, the basic financial statements.

(3) Indirect Costs

The Organization has elected to use the 15-percent de minimis indirect cost rate as allowed in the Uniform Guidance.

(4) Relationship to Financial Statements

Federal revenues of $1,454,745 are included in Grants Revenue on the Statement of Activities for the year ended December 31, 2025.

(5) Relationship to Federal Financial Reports

Amounts reported in the Schedule agree with the amounts reported in the related federal financial reports, except for the amounts in reports submitted as of a date subsequent to December 31, 2025.

(6) Amounts Passed to Subrecipients

The Organization did not pass through any federal funding to subrecipients.

THE LIGHTHOUSE FOR THE BLIND IN NEW ORLEANS, INC.
d/b/a LIGHTHOUSE LOUISIANA

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2025

(1) Summary of the Independent Auditors' Results

Federal Awards

Internal control over major program:

• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	Yes
Type of auditors' report issued on compliance for major program:	Unmodified
Did the audit disclose any audit findings which the Independent Auditor is required to report under the Uniform Guidance?	Yes

Identification of major program:

Pathways To Success: Creating a 21st Century Workforce – 84.421F

The dollar threshold for distinguishing between type A and B programs was $1,000,000.

The Organization did not qualify as a low-risk auditee under Section 530 of the Uniform Guidance.

(2) Findings and Questioned Costs Relating to Federal Awards

<u>2025-001 Procurement, Suspension and Debarment</u>

U.S. Department of Education
84.421F Pathways To Success: Creating a 21st Century Workforce
2025 Award Year

Criteria: Under 2 CFR §§ 200.318 – 200.327, non-Federal entities must maintain written procurement policies that reflect applicable Federal, State, and local laws and regulations. These policies must include standards of conduct, competition requirements, methods of procurement, contract oversight, and procedures for verifying suspension and debarment. Entities must follow these written policies when procuring goods and services under Federal awards. In addition, in accordance with the Uniform Guidance (2 CFR Part 180), recipients and subrecipients are prohibited from entering into covered transactions with parties that are suspended or debarred. Covered transactions include contracts for goods and services expected to equal or exceed $25,000 and all subawards regardless of dollar amount, unless specifically exempt. Recipients and subrecipients are required to verify that contractors and subrecipients are not suspended or debarred.

Universe / Population: The universe / population for Procurement is written procurement policies that reflect applicable Federal, State, and local laws and regulations. The universe / population for Suspension and Debarment was 12 vendors for the year ended December 31, 2025. We haphazardly selected 5 vendors for testing of suspension and debarment compliance requirements applicable to the program.

Condition: The Organization does not have a documented written procurement policy that complies with the requirements of 2 CFR §§ 200.318 – 200.327 or documented internal controls to ensure compliance with suspension and debarment requirements. Specifically, the Organization does not have written policies or procedures requiring verification that vendors or subrecipients are not suspended or debarred prior to entering into covered transactions, nor does it consistently document such verification. As a result, the Organization does not have a formal policy framework to guide procurement activities in accordance with Federal procurement standards.

Cause: The Organization has not developed written procurement policies that incorporate the specific requirements of the Uniform Guidance, including required verification procedures and documentation standards.

Effect: Without a compliant, documented procurement policy and effective internal controls, the Organization is at risk of noncompliance with Federal procurement standards, inconsistent procurement practices, failure to properly verify suspension and debarment, and ineffective internal controls over procurement activities. This condition also increases the risk that required suspension and debarment checks are not performed or documented. Although no questioned costs were identified for the period under audit, the absence of compliant written policies represents a control deficiency in internal control over compliance for procurement requirements.

Questioned Costs: None

(3) Findings and Questioned Costs Relating to Federal Awards (continued)

2025-001 Procurement, Suspension and Debarment (continued)

U.S. Department of Education
84.421F Pathways To Success: Creating a 21st Century Workforce
2025 Award Year

Repeat Finding: No

Recommendation: Management should develop and implement written procurement policies and procedures that fully comply with 2 CFR §§ 200.318 – 200.327. The policies should include internal controls to ensure that supporting documentation is maintained for all procurements, including documentation of procurement method determination, price or cost analysis, vendor selection, required approvals, and suspension and debarment verification.

View of Responsible Officials: Going forward, Lighthouse Louisiana will ensure that its procurement policy reflects its commitment to purchases made in a manner that promotes full and open competition, supports price reasonableness, and maintains appropriate documentation based on the applicable procurement threshold. Management confirms that the Organization will apply a $10,000 micro-purchase threshold, require price or rate quotations from an adequate number of qualified sources for small purchases between $10,000 and $250,000, and require a formal competitive process for procurements exceeding $250,000, unless a properly documented exception applies.

Lighthouse Louisiana did not actively retain all SAM.gov search results in vendor files for each vendor included in the procurement testing; however, if a SAM.gov verification was performed but not retained in the file, management will document the issue, perform and retain an updated verification, and strengthen internal controls to require retention of SAM.gov evidence before agreement execution or renewal.

As part of its corrective action, Lighthouse Louisiana will enhance its procurement file review process to ensure that each grant-funded procurement contains, as applicable, the procurement method determination, supporting quotes or price comparisons, price reasonableness analysis, vendor selection rationale, required approvals, contract or agreement, and SAM.gov verification. Management will also reinforce staff training on procurement documentation requirements and will implement a standardized procurement checklist for grant-funded purchases.

The Chief Financial Officer, Chief Operations Officer, and Project Director will be responsible for ensuring that any requested documentation is gathered and submitted to the auditors and that procurement file improvements are implemented prospectively.

Summary Schedule of Prior Audit Findings

Findings and Questioned Costs Relating to Federal Awards

No single audit performed in the prior year.

LIGHTHOUSE
LOUISIANA

CORRECTIVE ACTION PLAN
2 CFR § 200.511(c)
December 31, 2025

U.S. Department of Education
84.421F Pathways To Success: Creating a 21st Century Workforce
2025 Award Year
Finding Number: 2025-001

Planned Corrective Action: Going forward, Lighthouse Louisiana will ensure that its procurement policy reflects its commitment to purchases made in a manner that promotes full and open competition, supports price reasonableness, and maintains appropriate documentation based on the applicable procurement threshold. Management confirms that the Organization will apply a \$10,000 micro-purchase threshold, require price or rate quotations from an adequate number of qualified sources for small purchases between \$10,000 and \$250,000, and require a formal competitive process for procurements exceeding \$250,000, unless a properly documented exception applies.

Lighthouse Louisiana did not actively retain all SAM.gov search results in vendor files for each vendor included in the procurement testing; however, if a SAM.gov verification was performed but not retained in the file, management will document the issue, perform and retain an updated verification, and strengthen internal controls to require retention of SAM.gov evidence before agreement execution or renewal.

As part of its corrective action, Lighthouse Louisiana will enhance its procurement file review process to ensure that each grant-funded procurement contains, as applicable, the procurement method determination, supporting quotes or price comparisons, price reasonableness analysis, vendor selection rationale, required approvals, contract or agreement, and SAM.gov verification. Management will also reinforce staff training on procurement documentation requirements and will implement a standardized procurement checklist for grant-funded purchases.

The Chief Financial Officer, Chief Operations Officer, and Project Director will be responsible for ensuring that any requested documentation is gathered and submitted to the auditors and that procurement file improvements are implemented prospectively.

Anticipated Completion Date: June 23, 2026

Responsible Contact Person: Nicolas Llinas PTS Project Director

Paul Bernard
Chief Financial Officer
Lighthouse Louisiana

EISNERAMPER

THE LIGHTHOUSE FOR THE BLIND IN NEW ORLEANS, INC.
d/b/a LIGHTHOUSE LOUISIANA

REPORT ON STATEWIDE AGREED-UPON PROCEDURES ON COMPLIANCE AND CONTROL AREAS

FOR THE YEAR ENDED DECEMBER 31, 2025

THE LIGHTHOUSE FOR THE BLIND IN NEW ORLEANS, INC.
d/b/a LIGHTHOUSE LOUISIANA

CONTENTS

EisnerAmper LLP
One Galleria Blvd.
Suite 2100
Metairie, LA 70001
T 504.837.5990
F 504.834.3609
www.eisneramper.com

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board Members of
The Lighthouse for the Blind in New Orleans, Inc. d/b/a Lighthouse Louisiana
and the Louisiana Legislative Auditor

We have performed the procedures enumerated in Schedule A on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) of The Lighthouse for the Blind in New Orleans, Inc. d/b/a Lighthouse Louisiana (the Organization) for the fiscal period January 1, 2025 through December 31, 2025. The Organization's management is responsible for those C/C areas identified in the SAUPs.

The Organization has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of performing specified procedures on the C/C areas identified in the LLA's SAUPs for the fiscal period January 1, 2025 through December 31, 2025. Additionally, the 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 we performed, and the associated findings are summarized in the attached Schedule A, which is an integral part of this report.

We were engaged by the Organization to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs of the Organization for the fiscal period January 1, 2025 through December 31, 2025. 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 the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

The purpose of 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.

EisnerAmper LLP

EISNERAMPER LLP
Metairie, Louisiana
June 25, 2026

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 exception 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 exception noted.

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

No exception 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 exception 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 exception 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.

Exception noted. The Organization has written policies and procedures addressing contracting, however it does not include (1) types of services requiring written contracts, (2) standard terms and conditions, or (3) legal review.

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

No exception 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, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

No exception noted.

ix. ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

The Louisiana Code of Ethics is not applicable to the Organization as it is a nonprofit entity.

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

Debt Service is not applicable to the Organization as it is a nonprofit entity with no public debt.

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 exception 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.

The requirements of LA RS 42:342 – 344 apply to governmental entities, public officers and governmental employees and is therefore not applicable to the Organization as it is a nonprofit entity.

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 whether 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 exception 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 comparisons, at a minimum, on all proprietary funds, and semi-annual budget- to-actual comparisons, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

No exception 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.

Not applicable as the Organization is not a governmental entity.

iv. Observe whether the board/finance committee received written updates of the progress of resolving audit findings, according to management's corrective action plan at each meeting until the findings are considered fully resolved.

No exception 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:

A listing of bank accounts was provided and included a total of eight bank accounts. Management identified the Organization's main operating account. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected five bank accounts (one main operating and four randomly) and obtained the bank reconciliations for the month ending December 31, 2025, resulting in five bank reconciliations obtained and subjected to the below procedures.

i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

No exception noted.

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

No exception noted.

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

No reconciling items outstanding for more than 12 months 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).

A listing of deposit sites was provided and included a total of two deposit sites. No exceptions were noted as a result of performing this procedure.

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

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:

A listing of collection locations for the two deposit sites selected in procedure #4A was provided and included a total of four collection locations. No exceptions were noted as a result of performing this procedure.

From each of the listings provided, we randomly selected one collection location for each deposit site, for a total of two collection locations selected. Review of the Organization's written policies and procedures or inquiry with employee(s) regarding job duties was performed to perform the procedures below.

i. Employees responsible for cash collections do not share cash drawers/registers;

No exception noted.

ii. Each employee responsible for collecting cash is also not 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 exception noted.

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

No exception noted.

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

No exception noted.

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

No exception 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). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

We randomly selected two deposit dates for the one main operating bank account selected in procedure #3A. The other four bank accounts selected in procedure #3A did not have deposits made during the fiscal year. We obtained supporting documentation for each of the two deposits selected and performed the procedures below.

i. Observe that receipts are sequentially pre-numbered.

No exception noted.

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

No exception noted.

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

No exception 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 exception noted.

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

No exception noted.

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

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

The listing of locations that process payments for the fiscal period was provided and included a total of one location that processes payments. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected the one location 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, 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 exception noted.

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

No exception 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 exception 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; and

No exception 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 exception noted.

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

A listing of non-payroll disbursements for the one payment processing location selected in procedures #5A was provided related to the reporting period. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected five disbursements and performed the procedures below.

i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice, and that supporting documentation indicates that deliverables included on the invoice were received by the entity, and

No exception 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 exception 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 exception noted.

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

A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

A listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period was provided and included a total of 15 cards. No exceptions were noted as a result of performing this procedure.

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

From the listing provided, we randomly selected five cards that were used during the fiscal period. We randomly selected one monthly statement for each of the five cards selected and performed the procedures noted below.

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

No exception noted.

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

No exception noted.

C. Using the monthly statements or combined statements selected under procedure #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

We randomly selected ten transactions, or all transactions if less than ten, from each statement and obtained supporting documentation for the transactions. For each transaction, we observed that it was supported by (1) an original itemized receipt that identified 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).

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 exception noted.

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

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

The listing of travel and travel-related expense reimbursements was provided for the fiscal period. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected five reimbursements and performed the procedures below.

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

No exception 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 exception 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); and

No exception noted.

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

No exception 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. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management’s representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner’s contract, and

A listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected five contracts and performed the procedures below.

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 exception 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 exception 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); and

No exception 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 exception noted.

9) Payroll and Personnel

A. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

A listing of employees employed during the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected five employees and obtained related paid salaries and personnel files, and agreed paid salaries to authorized salaries/pay rates in the personnel files. No exception noted.

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

We randomly selected one pay period during the fiscal period and performed the procedures below for the five employees selected in procedure #9A

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

No exception noted.

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

No exception noted.

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

No exception noted.

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

No exception 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 cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

A listing of employees receiving termination payments during the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected two employees/officials and performed the specified procedures. No exception 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, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

No exception noted.

10) ***Ethics***

Ethics procedures are not applicable to the Organization as it is a nonprofit entity.

A. Using the 5 randomly selected employees/officials from procedure "Payroll and Personnel" procedure #9A, above obtain ethics documentation from management, and

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

ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

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

11) Debt Service

Debt Service procedures are not applicable to the Organization as it is a nonprofit entity with no public debt.

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

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

12) Fraud Notice

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

Management represented that there were no misappropriations of public funds or 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 exception noted.

13) Information Technology Disaster Recovery/Business Continuity

Perform the following procedures:

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 there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

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 Payroll and Personnel procedure #9C. Observe evidenced that the selected terminated employees have been removed or disabled 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 . 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

The requirements of LA RS 42:341 – 344 apply to governmental entity public officers and employees and is therefore not applicable to the Organization as it is a nonprofit entity.

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

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

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

i. Number and percentage of public servants in the agency who have completed the training requirements;

ii. Number of sexual harassment complaints received by the agency;

iii. Number of complaints which resulted in a finding that sexual harassment occurred;

iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

v. Amount of time it took to resolve each complaint

THE LIGHTHOUSE FOR THE BLIND IN NEW ORLEANS, INC.
d/b/a LIGHTHOUSE LOUISIANA

MANAGEMENT'S RESPONSE AND CORRECTIVE ACTION PLAN

DECEMBER 31, 2025

Schedule B

Written Policies and Procedures

Although Lighthouse Louisiana strives to promote transparency, competition, stewardship of public funds and compliance with state and federal audit requirements, the Organization did not have a formally written policy governing contracting. As a not-for-profit entity with revenues and other sources of public funds that total at least $500,000, management further acknowledges that the Lighthouse must adhere to overall SAUP requirements, including the policies that govern procurements and contracting.

Going forward, Lighthouse Louisiana will ensure that its procurement process is substantiated by a thorough written contracting policy which reflects its commitment to purchases made in a manner that promotes full and open competition, supports price reasonableness, and maintains appropriate documentation based on the applicable procurement threshold. As part of its immediate corrective actions, Lighthouse Louisiana has developed a comprehensive written contracting policy.

Lighthouse Louisiana's Operational Policy for Contracting establishes the organizational standards for entering into agreements for the procurement of goods and services utilizing public or government funding. This policy is intended to provide written guidance to Lighthouse employees, the Board, or agents that are responsible for contract development, approval, administration, monitoring, management, and close out utilizing policies/procedures that comply with state, federal, grant, and funder requirements.

The President and Chief Executive Officer, Chief Financial Officer, and Chief Operations Officer will be responsible for ensuring that any requested documentation is gathered and submitted to the auditors and that procurement policy and procedures are implemented prospectively.

Lighthouse Louisiana remains committed to maintaining procurement practices that comply with organizational policy, state, federal, grant, or funder requirements as applicable.