North Louisiana Economic Partnership, Inc.

Financial Statements

As of and for the Years Ended December 31, 2025 and 2024

North Louisiana Economic Partnership, Inc.

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COOK & MOREHART,
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Independent Auditors' Report

To the Board of Directors
North Louisiana Economic Partnership, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of North Louisiana Economic Partnership, Inc. (a nonprofit 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 the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of North Louisiana Economic Partnership, Inc. (a nonprofit organization) as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for 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) and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of North Louisiana Economic Partnership, Inc. 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 the 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 North Louisiana Economic Partnership, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of North Louisiana Economic Partnership, Inc.'s internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about North Louisiana Economic Partnership, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of compensation, benefits, and other payments to agency head on page 18, 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 GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2026, on our consideration of the North Louisiana Economic Partnership, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 North Louisiana Economic Partnership, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering North Louisiana Economic Partnership, Inc.'s internal control over financial reporting and compliance.

Cook + Morehart

Cook & Morehart,
Certified Public Accountants, LLC
June 24, 2026

North Louisiana Economic Partnership, Inc.
Statements of Financial Position
December 31, 2025 and 2024

Assets	2025	2024
Current assets:		
Cash and cash equivalents	$ 1,292,193	$ 1,284,587
Accounts receivable	77,607	5,676
Grants receivable	342,422	158,441
Prepaid expenses	107,036	45,060
Unconditional promises to give	159,850	238,500
Deposit held in escrow		125,000
Total current assets	1,979,108	1,857,264
Noncurrent assets:		
Restricted cash and cash equivalents	3,478,950	
Unconditional promises to give	33,292	164,442
Property held for development and sale	7,899,241	
Property and equipment, net	18,606	18,902
Total noncurrent assets	11,430,089	183,344
Total Assets	$ 13,409,197	$ 2,040,608
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses	$ 215,485	$ 34,171
Deferred revenue	17,000	4,500
Total current liabilities	232,485	38,671
Net assets:		
With donor restrictions	3,917,868	673,421
Without donor restrictions	9,258,844	1,328,516
Total net assets	13,176,712	2,001,937
Total Liabilities and Net Assets	$ 13,409,197	$ 2,040,608

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

North Louisiana Economic Partnership, Inc.
Statement of Activities
For the Year Ended December 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total 2025
Revenues, gains, support and reclassifications:			
Rent and royalties	$ 95,204	$	$ 95,204
Grants and contracts	8,670,256	2,106,744	10,777,000
Contributions of financial assets	1,445,758	1,570,000	3,015,758
Meetings and events	96,231		96,231
Interest income	84,908		84,908
Miscellaneous	12,578		12,578
Net assets released from restrictions			
Satisfaction of program restrictions	432,297	(432,297)	
Total revenues, gains, support and reclassifications	10,837,232	3,244,447	14,081,679
Expenses and losses:			
Supporting services			
General and administrative	338,377		338,377
Program services			
Economic development	2,568,527		2,568,527
Total expenses	2,906,904		2,906,904
Change in net assets	7,930,328	3,244,447	11,174,775
Net assets, beginning of year	1,328,516	673,421	2,001,937
Net assets, end of year	$ 9,258,844	$ 3,917,868	$ 13,176,712

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

North Louisiana Economic Partnership, Inc.
Statement of Activities
For the Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total 2024
Revenues, gains, support and reclassifications:			
Rent and royalties	$ 111,458	$	$ 111,458
Grants and contracts	485,042	53,378	538,420
Contributions of financial assets	1,863,151	97,500	1,960,651
Meetings and events	72,080		72,080
Interest income	45,323		45,323
Miscellaneous	12,389		12,389
Net assets released from restrictions			
Satisfaction of program restrictions	178,737	(178,737)	
Total revenues, gains, support and reclassifications	2,768,180	(27,859)	2,740,321
Expenses and losses:			
Supporting services			
General and administrative	300,285		300,285
Program services			
Economic development	1,906,119		1,906,119
Total expenses	2,206,404		2,206,404
Change in net assets	561,776	(27,859)	533,917
Net assets, beginning of year	766,740	701,280	1,468,020
Net assets, end of year	$ 1,328,516	$ 673,421	$ 2,001,937

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

North Louisiana Economic Partnership, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2025

	Support Services	Program Services	
	General and Administrative	Economic Development	Totals 2025
Salaries and commissions	$ 169,103	$ 1,159,761	$ 1,328,864
Payroll taxes	9,091	62,350	71,441
Pension expense	9,929	68,095	78,024
Other employee benefits	12,514	85,822	98,336
Advertising and marketing		95,417	95,417
Liability insurance	3,237		3,237
Building rent	13,308	91,272	104,580
Office supplies	7,051		7,051
Periodicals and dues		46,964	46,964
Postage	107		107
Professional services	24,557		24,557
Photocopy and printing		446	446
Travel	3,716	25,488	29,204
Professional development	239	16,338	16,577
Computer expense		53,070	53,070
Telephone	2,922	20,043	22,965
Miscellaneous	1,548	6,392	7,940
Annual meeting		41,984	41,984
Site development		432,509	432,509
Business relations		181,893	181,893
Research		8,580	8,580
Education initiatives		12,651	12,651
Strategic plan	25,000	25,174	50,174
Provision for uncollectible accounts	55,300		55,300
Advocacy		51,141	51,141
Business development		56,825	56,825
Workforce development - FAME		21,134	21,134
Depreciation	755	5,178	5,933
Total expenses	$ 338,377	$ 2,568,527	$ 2,906,904

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

North Louisiana Economic Partnership, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2024

	Support Services	Program Services	
	General and Administrative	Economic Development	Totals 2024
Salaries and commissions	$ 154,520	$ 982,863	$ 1,137,383
Payroll taxes	7,917	50,359	58,276
Pension expense	8,476	53,916	62,392
Other employee benefits	9,064	57,666	66,730
Advertising and marketing		37,959	37,959
Liability insurance	2,992		2,992
Building rent	12,934	82,269	95,203
Office supplies	3,446		3,446
Periodicals and dues		38,116	38,116
Postage	1,055		1,055
Professional services	23,990		23,990
Photocopy and printing		3,214	3,214
Travel	2,604	16,561	19,165
Professional development	1,804	15,455	17,259
Repairs and maintenance		3,380	3,380
Computer expense		49,089	49,089
Telephone	2,107	13,401	15,508
Miscellaneous	561	13,113	13,674
Annual meeting		30,048	30,048
Site development		106,396	106,396
Website development		15,215	15,215
Business relations		151,801	151,801
Research		41,988	41,988
Education initiatives		10,171	10,171
Strategic plan	26,144		26,144
Provision for uncollectible accounts	41,950		41,950
Advocacy		48,990	48,990
Business development		58,845	58,845
Workforce development - FAME		20,717	20,717
Depreciation	721	4,587	5,308
Total expenses	$ 300,285	$ 1,906,119	$ 2,206,404

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

North Louisiana Economic Partnership, Inc.
Statements of Cash Flows
For the Years Ended December 31, 2025 and 2024

Operating Activities	2025	2024
Changes in net assets	$11,174,775	$ 533,917
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	5,933	5,308
Lease amortization		28,952
(Increase) decrease in operating assets:		
Accounts receivable	(71,931)	3,635
Grants receivable	(183,981)	88,016
Prepaid expenses	(61,976)	(12,858)
Unconditional promises to give	209,800	92,449
Increase (decrease) in operating liabilities		
Accounts payable and accrued expenses	124,617	(4,363)
Repayments of right-of-use operating lease liabilities		(29,687)
Deferred revenue	12,500	4,500
Net cash provided by operating activities	11,209,737	709,869
Investing Activities		
Deposit on building purchase		(125,000)
Purchased property for future development	(7,717,544)	
Payments for property and equipment	(5,637)	
Net cash (used) in investing activities	(7,723,181)	(125,000)
Net increase in cash and cash equivalents	3,486,556	584,869
Cash and cash equivalents as of beginning of year	1,284,587	699,718
Cash and cash equivalents as of end of year	$ 4,771,143	$ 1,284,587
Reconciliation of cash, cash equivalents, and restricted cash:		
Cash and cash equivalents	$ 1,292,193	$ 1,284,587
Restricted cash	3,478,950	
Cash, cash equivalents, and restricted cash, end of year	$ 4,771,143	$ 1,284,587
Purchase of property held for development and sale		
Cost of property held for development and sale	$ 7,899,241	$
Cash received in prior period for property purchase	(125,000)	
Trade account payable	(56,697)	
Cash paid for property held for for development and sale	$ 7,717,544	$

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

(1) Summary of Significant Accounting Policies

A. Nature of Activities

The North Louisiana Economic Partnership, Inc. (NLEP) is a nonprofit organization incorporated under the laws of the State of Louisiana and is exempt from federal income tax under Section 501(c)3 of the Internal Revenue Code. The purpose of the North Louisiana Economic Partnership, Inc. is to assist local government by studying problems such as public education, crime prevention, poverty, and economic development and publicize the results of its research and recommendations, and to work for the general betterment of the North Louisiana area.

B. Basis of Accounting

The financial statements of the North Louisiana Economic Partnership, Inc. have been prepared on the accrual basis of accounting.

C. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

D. Basis of Presentation

The financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards. Under those standards, the Organization is required to report information regarding its financial position and activities according to two classes of net assets:

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 objective of the organization. These net assets may be used at the discretion of NLEP'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 actions of NLEP or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities. NLEP has adopted a policy to classify donor restricted contributions as without donor restriction to the extent that donor restrictions are met in the year the contribution was received.

E. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, NLEP considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

(Continued)

F. Accounts Receivable

Accounts receivable are stated at the amount management expects to collect, based on balances that NLEP has an unconditional right to receive less management's estimate of amounts that may not be collectible.

No allowance for credit losses have been provided since management has determined that the expected credit loss is not material at the balance sheet date.

G. Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period the promise to give is received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Management provides for probable uncollectible amounts through establishment of an allowance, based on its assessment of recent collection history and current donor relationships. Initial amounts recognized represent the fair value expected to be collected. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

H. Property and Equipment

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is provided on the straight-line method over the estimated useful lives of the assets. NLEP has adopted a policy of capitalizing all assets with a unit value of $2,500 or more.

I. Contributions

Contributions received are recorded as increase in net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature or any donor restrictions. When restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. In the absence of donor restrictions to the contrary, restrictions on contributions of property or equipment or on assets restricted to acquiring property or equipment expire when the property or equipment is placed in service.

J. Income Tax Status

The North Louisiana Economic Partnership, Inc. is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Partnership's tax-exempt purpose is subject to taxation as unrelated business income. The Partnership had no such income during this audit period. The North Louisiana Economic Partnership, Inc.'s Forms 990, *Return of Organization Exempt from Income Tax*, for the years ended 2022, 2023, 2024, and 2025 are subject to examination by the IRS, generally for three years after they were filed.

K. Advertising Costs

The NLEP uses advertising to promote its services among the community it serves. The costs of advertising are expensed as incurred. During 2025 and 2024, advertising costs totaled $95,417 and $37,959 respectively.

L. Functional Expenses

The costs of providing certain activities of NLEP have been summarized on a functional basis in the statements of activities and in the statements of functional expense. Accordingly, certain costs have been allocated among programs and supported services benefited. Costs are directly charged to the functions they benefit. Facility related and supportive services expenses are allocated to each function based upon management's equitable determination.

M. Prepaid expenses

Prepaid expenses as of December 31, 2025 and 2024, is comprised annual licensing agreements, rent, insurance, and certain expenses for 2026 and 2025 events which were paid in advance.

(2) Concentrations of Credit Risk

Financial instruments that potentially subject NLEP to concentrations of credit risk consist principally of temporary cash investments, accounts receivable, grant receivables, and promises to give. Concentrations of credit risk with respect to grant receivables are limited due to these amounts being due from governmental agencies under contractual terms. Concentrations of credit risk with respect to accounts receivable and promises to give are limited due to the large number of contributors comprising the North Louisiana Economic Partnership, Inc.'s contributor base and their dispersion across different industries. Concentrations of credit risk with respect to promises to give at December 31, 2025 and 2024, include approximately thirty-nine percent (39%) and twenty-five percent (25%) due from one contributor, respectively.

NLEP maintains cash balances at financial institutions located in the Shreveport area. Accounts at the institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to certain amounts. At December 31, 2025, total cash balances held at financial institutions was $4,776,992, of which $3,303,010 was secured by FDIC, and the remaining $1,473,982, was unsecured. At December 31, 2024, total cash balances held at financial institutions was $1,300,389, of which $1,228,663 was secured by FDIC, and the remaining $71,726, was unsecured.

(3) Accounts Receivable

Accounts receivable of $77,607 and $5,676 at December 31, 2025 and 2024, respectively, is comprised of riverboat boarding fees and other miscellaneous amounts due to the North Louisiana Economic Partnership, Inc. as of the end of the year but not received until after those dates.

(4) Grant Receivables

Various funding sources provide reimbursement of allowable costs under contracts or agreements. These balances represent amounts due from the funding sources at December 31, 2025 and 2024 but not received until after those dates.

(5) Employee Benefit Plans

NLEP participates in a 401(k) profit sharing plan whereby NLEP makes contributions to the Plan each year up to 8% of participating employee's compensation. Total expenses for the years ended December 31, 2025 and 2024 were approximately $78,616 and $64,924, respectively.

(6) Deposit Held in Escrow

During 2024, NLEP made a deposit of $125,000 related to the anticipated purchase of a building with an estimated purchase price of up to $7,500,000. The deposit was recorded as deposit held in escrow, in the December 31, 2024 Statement of Financial Position.

The purchase of the building was completed during 2025. Upon closing, the deposit was applied toward the purchase price and reclassified as part of the property held for development and sale asset.

(7) Promises to Give

The North Louisiana Economic Partnership, Inc. initiated a campaign during 2021 entitled "2022 – 2026 Capital Campaign." Promises to give are restricted to payment of costs associated with economic development projects and projects supporting the economic growth of north Louisiana. The promises to give are discounted at .06%, and are shown net of an allowance for uncollectible promises to give of $65,000 at December 31, 2025 and $129,700 at December 31, 2024.

Unconditional promises to give at December 31, 2025 and 2024 were as follows:

	2025	2024
Receivable in less than one year	$ 159,850	$ 238,500
Receivable in one to five years	34,150	165,300
Less discount on promises	(858)	(858)
Net unconditional promises to give	$ 193,142	$ 402,942

(8) Property and Equipment

Property and equipment at December 31, 2025, and 2024, with estimated depreciable life, are summarized as follows:

	Estimated Depreciable Life	2025	2024
Furniture, fixtures, equipment	3–10 years	$ 75,456	$ 77,600
Leasehold improvements	3–10 years	145,231	145,231
Accumulated Depreciation		(202,081)	(203,929)
		$ 18,606	$ 18,902

Depreciation expense for the years ended December 31, 2025, and 2024 was $5,933 and $5,308 respectively.

(9) Contractual Revenue – Grants

During the years ended December 31, 2025 and 2024, North Louisiana Economic Partnership, Inc. received contractual revenue from federal, state and local grants in the amount of $1,126,595 and $538,420, respectively. The continued existence of these funds is based on annual contract renewals with various funding sources.

Also included in contractual revenue – grants during the year ended December 31, 2025 are funds totaling $8,600,000 which were received from the State of Louisiana and $1,050,405 from the Northwest Louisiana Finance Authority for acquisition, redevelopment, and remediation of property.

(10) Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses at December 31, 2025 and 2024, consisted of the following:

	2025	2024
Accounts payable	$ 201,341	$ 18,504
Accrued leave payable	14,144	15,667
	$ 215,485	$ 34,171

(11) Endowment Account with Community Foundation of North Louisiana

The NLEP entered into an agreement with the Community Foundation of North Louisiana (CFNL). The agreement establishes an Agency Endowment Fund at CFNL called "Northwest Louisiana Economic Development Foundation Fund" (Fund). All property of the Fund belongs to CFNL. The fund will be used for support of the charitable purposes of the Partnership. Net income and capital appreciation of the Fund, as governed by CFNL's Spending Policy, will be paid and distributed to the Partnership at least annually, for as long as the Partnership is a Qualified Charitable Organization.

There were no transfers made to the fund during the years ended December 31, 2025 and 2024. The fair market value of the fund at December 31, 2025 and 2024, was $370,074 and $336,898, respectively.

(12) Operating Leases

NLEP leases certain office space under a month-to-month rental agreement. This agreement qualifies as a short-term leases under ASC 842, and lease expense is recognized as incurred. Total rent payments made under this agreement was $101,623 and $95,169, for the years ended December 31, 2025 and 2024, respectively.

(13) Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

(14) Concentration

For the years ended December 31, 2025 and 2024, NLEP received approximately $665,195 or 44%, and $1,024,233, or 52%, respectively, of its total contributions of financial assets, from two donors. NLEP recognizes this concentration and considers it as part of its overall financial management.

Also included in contributions during the year ended December 31, 2025 are funds totaling $1,500,000 which were received from a foundation, pursuant to a Restricted Gift Agreement, to be used only to fund NLEP's subscription to the Louisiana Impact Fund I, LLC.

(15) Liquidity and Availability of Financial Assets

NLEP monitors its liquidity so that it is able to meet its operating needs and other contractual commitments while maximizing the investment of its excess operating cash. NLEP has the following financial assets that could readily be made available within one year of the balance sheet to fund expenses without limitations:

	2025	2024
Financial assets at year-end:		
Cash and cash equivalents	$ 1,292,193	$ 1,284,587
Restricted cash and cash equivalents	3,478,950	
Accounts receivable	77,607	5,676
Grants receivable	342,422	158,441
Deposit held in escrow		125,000
Unconditional promises to give	193,142	402,942
Total financial assets	5,384,314	1,976,646
Less amounts not available to be used within one year:		
Cash restricted for projects	(3,478,950)	
Grants and contributions restricted for specific purposes	(245,776)	(270,479)
Non-current portion of promises to give	(33,292)	(164,442)
Financial assets available to meet cash needs for general expenditures within one year	$ 1,626,296	$ 1,541,725

The Statement of Cash Flows identifies the sources and uses of NLEP's cash and shows positive cash provided by operations of $11,209,737 and $709,869, for fiscal years ending December 31, 2025 and 2024, respectively.

(16) Net Assets

Net assets at December 31, 2025, and 2024, consisted of the following:

	2025	2024
Net Assets Without Donor Restrictions:		
Undesignated	$ 1,340,997	$ 1,309,614
Board designated:		
Property held for development and sale	7,899,241	
Net investment in property and equipment	18,606	18,902
Total net assets without donor restrictions	9,258,844	1,328,516
Net Assets With Donor Restrictions:		
Subject to expenditure for specified purpose -		
Unconditional promises to give	193,142	402,942
ACT work ready	80,889	80,889
Business retention and expansion program enhancement		53,377
Business attraction program	100,000	
Louisiana Impact fund	1,500,000	
Property development	2,035,547	
Site certification	8,290	136,213
Total net assets with donor restrictions	3,917,868	673,421
Total Net Assets	$13,176,712	$ 2,001,937

(17) Restricted Assets

Restricted assets at December 31, 2025 and 2024 consisted of the following:

	2025	2024
Cash – property held for development and sale	$ 1,978,950	$
Cash – Restricted Gift Agreement – Louisiana Impact Fund	1,500,000	
	$ 3,478,950	$

Cash restricted for property held for development and sale represents funds received from the State of Louisiana and the Northwest Louisiana Finance Authority for the purchase, redevelop, and remediation of property but not yet expended for stated purpose.

Cash restricted – Restricted Gift Agreement – Louisiana Impact Fund represents funds received from a foundation, to only be used to fund NLEP's subscription to the Louisiana Impact Fund I, LLC. No funds were expended during the year ended December 31, 2025.

(18) Property Held for Development and Sale

Property held for development and sale on December 31, 2025, represents $7,585,649 of property purchased, as well as $313,592 of development expenses, for a total of $7,899,241 as of December 31, 2025.

During the year ended December 31, 2025, NLEP entered into a Cooperative Endeavor Agreement with the State of Louisiana for the purchase of property in the amount of $7,200,000. During the year ended December 31, 2025, NLEP entered into a Cooperative Endeavor Agreement with the State of Louisiana to redevelop and remediate the property, in the amount of $2,800,000. During the year ended December 31, 2025, NLEP received a total of $8,600,000 from the State of Louisiana in conjunction with these Cooperative Endeavor Agreements. NLEP also entered into a Cooperative Endeavor Agreement with the Northwest Louisiana Finance Authority in the amount of $1,050,405 in relation to this project, which was also received during the year ended December 31, 2025.

(19) Restricted Gift Agreement - Louisiana Impact Fund

During 2025, NLEP received a contribution of $1,500,000 from a foundation, pursuant to a Restricted Gift Agreement. In accordance with the terms of the Restricted Gift Agreement, the funds may only be used to fund NLEP's subscription to the Louisiana Impact Fund I, LLC. No amounts were disbursed during the year ended December 31, 2025, related to these contributions. Funds on hand at December 31, 2025, totaling $1,500,000, are subject to donor-imposed purpose restrictions until expended for the intended purpose and are reported as restricted cash and net assets with donor restrictions in the accompanying statement of financial position as of December 31, 2025.

(20) Commitments

In connection with the acquisition of property held for development and sale, NLEP has commitments for signed contracts for demolition and environmental remediation of approximately $6,211,347. As of December 31, 2025, approximately $45,311 had been incurred on these contracts, with the balance remaining on these contracts to be incurred subsequent to December 31, 2025. Funding for these contracts is expected to be provided, in part, with funds from a Cooperative Endeavor Agreement (CEA) with the State of Louisiana of approximately $2,800,000, funding from the Northwest Louisiana Finance Authority of approximately $1,050,405, and funding from the City of Shreveport – Brownfields Revolving Grant Fund of approximately $150,000.

NLEP has a commitment for a signed contract of approximately $148,000, to develop a regional strategic plan. As of December 31, 2025, approximately $50,000, had been incurred on this contract, with the balance remaining to be incurred subsequent to December 31, 2025.

(21) Subsequent events

Subsequent events have been evaluated through June 24, 2026, the date the financial statements were available to be issued.

North Louisiana Economic Partnership, Inc.
Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended December 31, 2025

Agency Head: Justyn Dixon, President

The following payments were made from public funds:

Salary	$	39,900

COOK & MOREHART,
Certified Public Accountants, LLC

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CERTIFIED PUBLIC ACCOUNTANTS

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*

Independent Auditor's Report

To the Board of Directors
North Louisiana Economic Partnership, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of North Louisiana Economic Partnership, Inc. (a nonprofit 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 24, 2026.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or 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 were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether North Louisiana Economic Partnership, Inc.'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.

Cook + Morehart

Cook & Morehart,
Certified Public Accountants, LLC
June 24, 2026

North Louisiana Economic Partnership, Inc.
Summary Schedule of Audit Findings
December 31, 2025

Summary Schedule of Prior Audit Findings

There were no findings reported for the prior year audit for the year ended December 31, 2024.

Corrective Action Plan for Current Year Audit Findings

There are no findings reported for the current year audit for the year ended December 31, 2025.

COOK & MOREHART,
Certified Public Accountants, LLC

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Independent Accountants' Report on Applying Agreed-Upon Procedures

To the Board of Directors
North Louisiana Economic Partnership, Inc.
Shreveport, Louisiana
and the Louisiana Legislative Auditor

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

The North Louisiana Economic Partnership, Inc has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2025 through December 31, 2025. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) Written Policies and Procedures

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

i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

ii. ***Purchasing***, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.

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

iv. ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

v. ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.

vi. ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

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

viii. ***Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

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

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

xi. ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

xii. ***Prevention of Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Procedures performed. No exceptions noted.

2) *Board or Finance Committee*

A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and

i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

ii. For those entities reporting on the governmental accounting model, review the minutes from all regularly scheduled board/finance committee meetings held during the fiscal year and observe whether the minutes from at least one meeting each month referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, at a minimum, on proprietary funds, and semi-annual budget- to-actual, 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.*

iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

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

Procedures performed. No exceptions noted.

3) Bank Reconciliations

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

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

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

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.

Procedures performed. Noted the following exception:

Exception: One check on the bank reconciliation selected for testing was outstanding for more than 12 months.

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).

B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that

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

ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;

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

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

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

D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *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:

i. Observe that receipts are sequentially pre-numbered.

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

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

iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than $100 and the cash is stored securely in a locked safe or drawer).

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

Procedures performed. No exceptions noted.

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

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

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

i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;

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

iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;

iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and

v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

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

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

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

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

Procedures performed. No exceptions 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.

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

i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., itemized 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

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

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

D. Using the list of terminated employees obtained in Payroll and Personnel proceure #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.

Procedures performed. No exceptions 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

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);

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

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

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

Procedures performed. No exceptions noted.

8) Contracts

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

i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;

ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);

iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and

iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Procedures performed. No exceptions noted.

9) Payroll and Personnel

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

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

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

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

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

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

C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates 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.

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.

Procedures performed. No exceptions noted.

10) *Ethics*

Not applicable to nonprofit organizations.

11) *Debt Service*

Not applicable to nonprofit organizations.

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 and 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.

Procedures performed. No exceptions noted.

13) Information Technology Disaster Recovery/Business Continuity

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

A. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

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.

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.

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 evidence that the selected terminated employees have been removed or disabled from the network.

E. Using the 5 randomly selected employees/officials from Payroll and Personnel procedures #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 procedures and discussed the results with management.

14) Prevention of Sexual Harassment

Not applicable to NLEP.

We were engaged by the North Louisiana Economic Partnership, Inc, to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the North Louisiana Economic Partnership, Inc, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Cook & Morehart

Cook & Morehart,
Certified Public Accountants, LLC
June 24, 2026

NORTH LOUISIANA ECONOMIC PARTNERSHIP

June 24, 2026

Cook & Morehart,
Certified Public Accountants, LLC
1215 Hawn Ave
Shreveport, LA 71107

North Louisiana Economic Partnership, Inc. submits the following response to the exceptions identified in the Statewide Agreed-Upon Procedures Report for the year ended December 31, 2025:

Exception: One check on the bank reconciliation selected for testing was outstanding for more than 12 months.

Response: NLEP will research outstanding items over 12 months on the bank reconciliation.

Sincerely,

Justyn Dixon
President