

Financial Report

Louisiana Museum Foundation
New Orleans, Louisiana

June 30, 2025



Financial Report

Louisiana Museum Foundation
New Orleans, Louisiana

June 30, 2025

TABLE OF CONTENTS

Louisiana Museum Foundation New Orleans, Louisiana

June 30, 2025

	<u>Page Number</u>
Financial Section	
Independent Auditor's Report	1 - 3
Exhibits	
A - Statements of Financial Position	4
B-1 - Statement of Activities and Changes in Net Assets (June 30, 2025)	5
B-2 - Statement of Activities and Changes in Net Assets (June 30, 2024)	6
C-1 - Statement of Functional Expenses (June 30, 2025)	7
C-2 - Statement of Functional Expenses (June 30, 2024)	8
D - Statements of Cash Flows	9
E - Notes to Financial Statements	10 - 20
Supplementary Information	
Schedule	
1 - Schedule of Compensation, Benefits, and Other Payments To Agency Head or Chief Executive Officer	21
Special Reports of Certified Public Accountants	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	22 - 23
Schedule of Findings and Responses	24 - 25
Reports By Management	
Schedule of Prior Year Findings and Responses	26
Management's Corrective Action Plan	27

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors,
Louisiana Museum Foundation,
New Orleans, Louisiana.

Opinion

We have audited the accompanying financial statements of Louisiana Museum Foundation (the "Foundation") (a nonprofit organization), which comprise the statements of financial position as of June 30, 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 present fairly, in all material respects, the financial position of the Foundation as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation'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 Foundation'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 supplementary information in Schedule 1 is presented for purposes of additional analysis, as required by Louisiana Revised Statue 24:513(A)(3) 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. Such 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 information in Schedule 1 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 December 22, 2025, on our consideration of the Foundation's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts and grant agreement, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Foundation's internal control over financial reporting and compliance.

Prior Year Financial Statements

The financial statements of Louisiana Museum Foundation as of June 30, 2024 and for the year ended, were audited by other auditors whose report dated December 20, 2024, expressed an unmodified opinion on those financial statements.

A handwritten signature in black ink that reads "Bourgeois Bennett, L.L.C." in a cursive script.

Certified Public Accountants.

New Orleans, Louisiana,
December 22, 2025.

STATEMENTS OF FINANCIAL POSITION**Louisiana Museum Foundation**

New Orleans, Louisiana

June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
Cash and cash equivalents	\$1,122,753	\$2,410,828
Investments	3,870,898	3,096,687
Unconditional promises to give	31,250	62,500
Prepaid expenses and other assets	-	1,294
Furniture and office equipment, net	8,437	11,869
	<u>\$5,033,338</u>	<u>\$5,583,178</u>
LIABILITIES		
Accounts payable and accrued expenses	<u>\$ 106,776</u>	<u>\$ 179,270</u>
NET ASSETS		
Net assets without donor restrictions:		
Undesignated	837,638	709,232
Designated for endowment purposes	820,807	770,355
Designated for reserve purposes	240,791	240,791
Designated for records retention project	111,219	111,219
	<u>2,010,455</u>	<u>1,831,597</u>
Net assets with donor restrictions	<u>2,916,107</u>	<u>3,572,311</u>
	<u>4,926,562</u>	<u>5,403,908</u>
	<u>\$5,033,338</u>	<u>\$5,583,178</u>

See notes to financial statements.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**Louisiana Museum Foundation**

New Orleans, Louisiana

For the year ended June 30, 2025

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Totals</u>
Revenues			
Contributions and grants	\$ -	\$ 815,193	\$ 815,193
Special fundraising events	323,236	-	323,236
Facility use contributions	-	184,075	184,075
Program management fees	120,873	-	120,873
Memberships	67,001	-	67,001
Concession income	18,925	-	18,925
Investment income, net	264,579	151,355	415,934
Other income	93,568	-	93,568
	<hr/>	<hr/>	<hr/>
Total revenues	888,182	1,150,623	2,038,805
Net Assets Released From Restrictions	<hr/>	<hr/>	<hr/>
	1,806,827	(1,806,827)	-
	<hr/>	<hr/>	<hr/>
Total revenues and support	2,695,009	(656,204)	2,038,805
	<hr/>	<hr/>	<hr/>
Expenses			
Program services	2,410,480	-	2,410,480
General and administration	89,290	-	89,290
Fundraising	16,381	-	16,381
	<hr/>	<hr/>	<hr/>
Total expenses	2,516,151	-	2,516,151
	<hr/>	<hr/>	<hr/>
Increase (Decrease) in Net Assets	178,858	(656,204)	(477,346)
Net Assets			
Beginning of year	<hr/>	<hr/>	<hr/>
	1,831,597	3,572,311	5,403,908
	<hr/>	<hr/>	<hr/>
End of year	<u>\$2,010,455</u>	<u>\$2,916,107</u>	<u>\$4,926,562</u>

See notes to financial statements.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**Louisiana Museum Foundation**

New Orleans, Louisiana

For the year ended June 30, 2024

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Totals</u>
Revenues			
Contributions and grants	\$ -	\$ 1,935,136	\$ 1,935,136
Special fundraising events	435,146	-	435,146
Facility use contributions	-	305,847	305,847
Program management fees	101,081	-	101,081
Memberships	84,675	-	84,675
Concession income	9,379	-	9,379
Investment income, net	94,492	215,632	310,124
Other income	74,817	-	74,817
	<hr/>	<hr/>	<hr/>
Total revenues	799,590	2,456,615	3,256,205
Net Assets Released From Restrictions	<u>1,613,836</u>	<u>(1,613,836)</u>	<u>-</u>
	<hr/>	<hr/>	<hr/>
Total revenues and support	<u>2,413,426</u>	<u>842,779</u>	<u>3,256,205</u>
Expenses			
Program services	2,242,462	-	2,242,462
General and administration	67,754	-	67,754
Fundraising	16,157	-	16,157
	<hr/>	<hr/>	<hr/>
Total expenses	<u>2,326,373</u>	<u>-</u>	<u>2,326,373</u>
Increase in Net Assets	87,053	842,779	929,832
Net Assets			
Beginning of year	<u>1,744,544</u>	<u>2,729,532</u>	<u>4,474,076</u>
End of year	<u><u>\$1,831,597</u></u>	<u><u>\$3,572,311</u></u>	<u><u>\$5,403,908</u></u>

See notes to financial statements.

STATEMENT OF FUNCTIONAL EXPENSES**Louisiana Museum Foundation**

New Orleans, Louisiana

For the year ended June 30, 2025

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Totals</u>
Grants and other assistance to the Louisiana State Museum	\$ 1,947,354	\$ -	\$ -	\$ 1,947,354
Salaries, benefits, and payroll taxes	167,670	34,754	16,381	218,805
Education programming/ public outreach	148,914	-	-	148,914
Accounting	89,145	22,286	-	111,431
Information technology	28,847	7,212	-	36,059
Other program support	-	20,717	-	20,717
Occupancy	10,015	-	-	10,015
Office expenses	6,860	1,403	-	8,263
Insurance	4,194	1,049	-	5,243
Payroll services	3,754	938	-	4,692
Depreciation	2,746	686	-	3,432
Conferences, conventions, and meetings	981	245	-	1,226
Totals	<u>\$2,410,480</u>	<u>\$89,290</u>	<u>\$16,381</u>	<u>\$2,516,151</u>

See notes to financial statements.

STATEMENT OF FUNCTIONAL EXPENSES**Louisiana Museum Foundation**

New Orleans, Louisiana

For the year ended June 30, 2024

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Totals</u>
Grants and other assistance to the Louisiana State Museum	\$ 1,673,531	\$ -	\$ -	\$ 1,673,531
Salaries, benefits, and payroll taxes	182,017	38,846	16,157	237,020
Education programming/ public outreach	204,124	-	-	204,124
Accounting	73,483	18,371	-	91,854
Other program support	55,938	-	-	55,938
Information technology	25,211	6,303	-	31,514
Occupancy	10,176	-	-	10,176
Office expenses	7,963	1,731	-	9,694
Payroll services	3,754	938	-	4,692
Insurance	3,049	762	-	3,811
Depreciation	2,746	686	-	3,432
Conferences, conventions, and meetings	461	115	-	576
Interest	9	2	-	11
	<u>9</u>	<u>2</u>	<u>-</u>	<u>11</u>
Totals	<u>\$2,242,462</u>	<u>\$67,754</u>	<u>\$16,157</u>	<u>\$2,326,373</u>

STATEMENTS OF CASH FLOWS**Louisiana Museum Foundation**
New Orleans, Louisiana

For the year ended June 30, 2025

	<u>2025</u>	<u>2024</u>
Cash Flows From Operating Activities		
Increase (decrease) in net assets	\$ (477,346)	\$ 929,832
Adjustments to reconcile decrease in net assets to net cash provided by (used in) operating activities:		
Depreciation	3,432	3,432
Realized and unrealized gains on investments, net	(285,584)	(298,860)
Decrease in unconditional promises to give	31,250	73,750
Decrease in prepaid expenses and other assets	1,294	-
Decrease in accounts payable and accrued expenses and accrued liabilities	<u>(72,494)</u>	<u>(18,420)</u>
Total adjustments	<u>(322,102)</u>	<u>(240,098)</u>
Net cash provided by (used in) operating activities	<u>(799,448)</u>	<u>689,734</u>
Cash Flows From Investing Activities		
Purchase of investments	(551,097)	-
Proceeds from sales of investments	62,470	43,707
Purchases of furniture and office equipment	<u>-</u>	<u>-</u>
Net cash provided by (used in) investing activities	<u>(488,627)</u>	<u>43,707</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(1,288,075)	733,441
Cash and Cash Equivalents		
Beginning of year	<u>2,410,828</u>	<u>1,677,387</u>
End of year	<u><u>\$1,122,753</u></u>	<u><u>\$2,410,828</u></u>

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS**Louisiana Museum Foundation**

New Orleans, Louisiana

June 30, 2025

Note 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**a. Organization and Income Tax**

The Louisiana Museum Foundation (the “Foundation”) is a nonprofit corporation organized under the laws of the State of Louisiana to provide services and support for the Louisiana State Museum (the “Museum”), through funds, grants and contracts administration, promotional activities, fundraising programs and events, and management assistance. It is exempt from Federal income tax under Section 501 (c)(3) of the Internal Revenue Code (IRC), and qualifies as an organization that is not a private foundation as defined in Section 509(a) of the IRC. It is also exempt from Louisiana income tax under the authority of R.S. 47:121(5).

b. Basis of Accounting

The financial statements of the Foundation are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States (U.S. GAAP) and accordingly, reflect all significant receivables, payables, and liabilities.

c. Basis of Presentation

The Foundation reports information regarding financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions, based on donor stipulations and restrictions placed on contributions, if any. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

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 Foundation. These net assets may be used at the discretion of the Foundation’s management and the Board of Directors.

Net Assets with Donor Restrictions: Net assets subject to stipulations imposed by donors or granters. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Note 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Basis of Presentation (Continued)

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 Statements of Activities and Changes in Net Assets.

d. Use of Estimates

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

e. Cash and Cash Equivalents

The Foundation considers all highly liquid investments (including assets with donor restrictions) with an original maturity of three months or less to be cash equivalents.

f. Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the Statements of Financial Position. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 6 for a discussion of fair value measurements. Unrealized gains and losses are included in the change in net assets in the accompanying Statements of Activities and Changes in Net Assets. Gains, losses, and investment income are accounted for as with or without donor restrictions based on restrictions, if any, imposed by donors.

The Foundation records donated securities at their fair market value at the date of donation. Investments are shown in the financial statements at approximate current fair market value. Realized and unrealized gains and losses are included in the statements of activities and changes in net assets.

g. Promises to Give

Contributions are recognized as assets and revenues when the donor makes a promise to give that is, in substance, unconditional. Conditional promises to give are recognized when the conditions on which they depend are substantially met. As of June 30, 2025 and 2024, management believes that all promises to give are fully collectible.

Note 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Furniture and Office Equipment

Furniture and office equipment of the Foundation are recorded at cost and depreciated over the estimated useful life using the straight-line method. Additions, improvements, and expenditures greater than \$500 that significantly extend the useful life or increase the value are capitalized. Estimated useful life of furniture and office equipment is five to seven years, except computer equipment which is three to five years.

i. Compensated Absences

The Foundation has a compensated absences policy. Employees of the Foundation are entitled to paid vacation and paid sick days, depending on job classification, length of service, and other factors. The Foundation estimates the amount of compensation for future absences, and, accordingly, a liability has been recorded in the accompanying financial statements. The Foundation's policy is to recognize the costs of vested compensated absences when earned.

j. Revenue Recognition

Contributions are recorded as support with or without donor restrictions, depending on the existence or nature of any donor restrictions. Support that is restricted by a donor is reported as an increase in net assets with donor restrictions. When the restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions. Revenues, including contribution and memberships revenues, are recognized when performance obligations of the underlying arrangements are met. For grant revenues, this is generally when the requirements of the grant are fulfilled. Gala and program management fee revenues are recognized when the services are provided.

k. Methods Used for Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statements of Activities and Changes in Net Assets and are reconciled to the natural classifications in the Statements of Functional Expenses. Costs are charged directly to the appropriate program or functional area. Certain costs which benefit more than one functional area have been allocated to the Foundation's programs or supporting services benefited. Such allocations are estimated by management on an equitable basis.

Note 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Income Taxes

The Foundation is a nonprofit corporation organized under the laws of the State of Louisiana. It is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code.

Accounting standards provide detailed guidance for financial statement recognition, measurement, and disclosure of uncertain tax positions recognized in an entity's financial statements. These standards require an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will not be sustained upon examination. As of June 30, 2025, management of the Foundation believes that it has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. Tax years ending June 30, 2022 and later remain subject to examination by the taxing authorities.

m. Reclassification

Certain amounts in the 2024 financial statements have been reclassified to conform with the 2025 financial statement presentation.

n. Subsequent events

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through December 22, 2025, which is the date the financial statements were available to be issued.

Note 2 - CONCENTRATION OF CREDIT RISK

The Foundation maintains its cash balances with several financial institutions where the balances are insured by Federal Deposit Insurance Corporation up to \$250,000. As of June 30, 2025, the Foundation had cash deposits in excess of Federal Deposit Insurance Corporation limits of approximately \$362,000.

Note 3 - INVESTMENTS

Investments held as of June 30, 2025 and 2024 are comprised of the following:

	2025	2024
Mutual Funds	\$3,870,898	\$3,096,687

Investment income for the years ended June 30, 2025 and 2024 is summarized as follows:

	2025	2024
Increase in unrealized appreciation	\$ 299,696	\$267,402
Realized loss	(14,112)	(42,865)
Interest and dividends	151,834	103,607
Advisor fees	(21,484)	(18,020)
Investment income, net	\$ 415,934	\$310,124

Note 4 - PROMISES TO GIVE

Promises to give represent a promise by the donors to pay after the year end. Promises to give were due in the following installments as of June 30, 2025:

Year Ending June 30,	
2026	\$ 31,250

Note 5 - FURNITURE AND OFFICE EQUIPMENT

Furniture and office equipment are as follows as of June 30, 2025 and 2024:

	2025	2024
Furniture and office equipment, cost	\$76,282	\$76,282
Less: accumulated depreciation	(67,845)	(64,413)
Furniture and office equipment, net	\$ 8,437	\$11,869

Note 6 - FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value.

Mutual funds - Valued at the daily closing price as reported by the fund, which represents the net asset per unit.

Note 6 - FAIR VALUE MEASUREMENTS (Continued)

The following table sets forth by level, within the fair value hierarchy, the Foundation's assets at fair value as of June 30, 2025 and 2024:

Description	Total Assets Measured at Fair Value	2025 Based on		
		Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Mutual funds:				
Exchange traded	\$ 1,969,051	\$ 1,969,051	\$ -	\$ -
Equities	1,730,924	1,730,924	-	-
Other	170,923	170,923	-	-
Totals	<u>\$ 3,870,898</u>	<u>\$ 3,870,898</u>	<u>\$ -</u>	<u>\$ -</u>
Description	Total Assets Measured at Fair Value	2024 Based on		
		Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Mutual funds:				
Exchange traded	\$ 1,396,450	\$ 1,396,450	\$ -	\$ -
Equities	1,553,897	1,553,897	-	-
Other	146,340	146,340	-	-
Totals	<u>\$ 3,096,687</u>	<u>\$ 3,096,687</u>	<u>\$ -</u>	<u>\$ -</u>

As of June 30, 2025 and 2024 there were no assets measured at fair value on a non-recurring basis.

Note 7 - NET ASSETS WITH DONOR RESTRICTIONS

Changes in net assets with donor restrictions during the year ended June 30, 2025 and 2024 were as follows:

	<u>Balance June 30, 2024</u>	<u>Revenues</u>	<u>Expenses</u>	<u>Balance June 30, 2025</u>
Museum Endowment Fund	\$2,317,558	\$ 151,335	\$ -	\$2,468,893
New Orleans Jazz Museum	800,171	824,558	1,490,101	134,628
Exhibits	98,942	15,843	50,284	64,501
Educational Programming/ Public Outreach	26,830	-	10,895	15,935
Collections, acquisitions and conservation	38,030	900	9,917	29,013
Bequests	4,517	-	-	4,517
Other	286,263	157,987	245,630	198,620
	<u>\$3,572,311</u>	<u>\$1,150,623</u>	<u>\$1,806,827</u>	<u>\$2,916,107</u>
Totals				
	<u>Balance June 30, 2023</u>	<u>Revenues</u>	<u>Expenses</u>	<u>Balance June 30, 2024</u>
Museum Endowment Fund	\$2,101,926	\$ 215,632	\$ -	\$2,317,558
New Orleans Jazz Museum	168,198	1,621,507	989,534	800,171
Exhibits	48,791	188,923	138,772	98,942
Educational Programming/ Public Outreach	35,972	2,500	11,642	26,830
Collections, acquisitions and conservation	21,255	96,500	79,725	38,030
Bequests	4,113	-	(404)	4,517
Other	349,277	331,553	394,567	286,263
	<u>\$2,729,532</u>	<u>\$2,456,615</u>	<u>\$1,613,836</u>	<u>\$3,572,311</u>
Totals				

Note 8 - FACILITY USE CONTRIBUTIONS FUND

In accordance with the Louisiana Civil Code, donations are made to the Foundation by groups or individuals who use the Museum's facilities for special functions. The Foundation must designate these funds for use by the Louisiana State Museum for endowment, education, exhibits, acquisition, publications, conservation, and building function support purposes.

Note 9 - MUSEUM ENDOWMENT FUND

The Museum Endowment Fund was established by the Board to accumulate \$3,000,000 for Museum support. Revenue and other support for the fund consist of contributions, investment income, and transfer of excess funds from other funds without restrictions as the Board authorizes. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported on the existence or absence of donor-imposed restrictions.

The Louisiana Museum Foundation Board of Directors has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as not expressly requiring the preservation of the purchasing power (real value) of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies the following amounts as net assets with donor restrictions required to be held in perpetuity in the accompanying financial statements: (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment, made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not required to be held in perpetuity is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the language of UPMIFA.

In accordance with UPMIFA, the Foundation 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 Foundation 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 Foundation
1. Expenditures of investment income earned from the time or purpose restricted portion of the corpus are limited to acquisitions, conservation, exhibitions, public programs, and publications.
 2. No expenditures are to be made until the time and purpose restricted portion of the fund reaches a corpus balance of \$3,000,000. Annually, thereafter, 50% of investments income may be spent; the other 50% is to be added to corpus.
 3. The time and purpose restricted portion of the corpus is never to be touched except for emergencies.

Note 9 - MUSEUM ENDOWMENT FUND (Continued)

4. Emergency expenditures of the time and purpose restricted portion of the corpus will require 100% approval of the members of the Louisiana Museum Foundation Board of Directors present at a board meeting with a quorum of members in attendance.

As of June 30, 2025 and 2024, there are no funds in the Museum Endowment Fund that are required to be held in perpetuity.

Investment expenses, fees, and charges related to the endowment totaled \$21,484 and \$18,020 for the years ended June 30, 2025 and 2024, respectively, and is netted with investment income in the Statements of Activities and Changes in Net Assets.

Activity in the Museum Endowment Fund was as follows for the years ended June 30, 2025 and 2024:

	<u>With Donor Restrictions</u>	<u>Without Donor Restrictions</u>	<u>Totals</u>
Balance, July 1, 2023	\$2,101,926	\$ 700,642	\$2,802,568
Withdrawals	-	(2,165)	(2,165)
Investment income, net	<u>215,632</u>	<u>71,878</u>	<u>287,510</u>
Balance, June 30, 2024	2,317,558	770,355	3,087,913
Withdrawals	(99,292)	(33,097)	(132,389)
Investment income, net	<u>250,627</u>	<u>83,542</u>	<u>334,169</u>
Balance, June 30, 2025	<u><u>\$2,468,893</u></u>	<u><u>\$ 820,800</u></u>	<u><u>\$3,289,693</u></u>

Note 10 - LIQUIDITY AND AVAILABILITY OF ASSETS

The Foundation regularly monitors the availability of resources required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The Foundation receives grants and contributions with donor time and purpose restrictions. In addition, the Foundation generates revenue and receives support without donor restrictions. General expenditures include program services and management and general.

Note 10 - LIQUIDITY AND AVAILABILITY OF ASSETS (Continued)

The table below represents financial assets available for general expenditures within one year as of June 30, 2025 and 2024:

	2025	2024
Financial assets:		
Cash and cash equivalents	\$1,122,753	\$2,410,828
Investments	3,870,898	3,096,687
Unconditional promises to give	31,250	62,500
Total financial assets	5,024,901	5,570,015
Less: financial asset designations and restrictions		
Designated for endowment purposes*	(820,807)	(770,355)
Designated for reserve purposes*	(240,791)	(240,791)
Designated for records retention project*	(111,219)	(111,219)
Net assets with donor restrictions	(2,916,107)	(3,572,311)
Financial assets available for general expenditures within one year	\$ 935,977	\$ 875,339

* The Foundation's governing board has designated a portion of its resources to function as endowment and for other purposes. Those amounts are identified as designated in the table above. These funds are invested for long-term appreciation and current income but remain available and may be spent at the discretion of the board. These funds were designated by a majority vote of the Foundation's governing board and can be undesignated by a majority vote.

SUPPLEMENTARY INFORMATION

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

Louisiana Museum Foundation

New Orleans, Louisiana

For the year ended June 30, 2025

Agency Head Name: Kristin Shannon, Executive Director

Purpose

Salary	\$	-
Benefits - insurance		-
Benefits - retirement		-
Benefits - other		-
Car allowance		-
Vehicle provided by government		-
Per diem		-
Reimbursements		-
Travel		-
Registration fees		-
Conference travel		-
Continuing professional education fees		-
Housing		-
Unvouchered expenses		-
Special meals		-
		<hr/>
	\$	<hr/> <hr/>

No public funds were used to pay the Executive Director's salary, benefits, or any other compensation during the year ended June 30, 2025.

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR’S REPORT ON INTERNAL
CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors,
Louisiana Museum Foundation,
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, the financial statements of Louisiana Museum Foundation (the “Foundation”), which comprise the statement of financial position as of June 30, 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, which collectively comprise the Foundation’s basic financial statements, and have issued our report thereon dated December 22, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Foundation’s internal control over financial reporting (“internal control”) as a basis for determining 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 Foundation’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation’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 Foundation’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 a material weakness 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 Foundation's financial statements are free of 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 Foundation'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, Louisiana,
December 22, 2025.

SCHEDULE OF FINDINGS AND RESPONSES

Louisiana Museum Foundation New Orleans, Louisiana

For the year ended June 30, 2025

Section I - Summary of Auditor's Results

a) Financial Statements

Type of report issued on the financial statements: unmodified

Internal control over financial reporting:

- Material weakness(as) identified? ___ Yes X No
- Significant deficiency(is) identified that are
not considered to be a material weakness? ___ Yes X None reported

Noncompliance material to financial statements noted? ___ Yes X No

b) Federal Awards

The Foundation did not expend more than \$750,000 in federal awards during the year ended June 30, 2025; therefore, is exempt from audit requirements under the Uniform Guidance.

Section II - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements

Internal Control Over Financial Reporting

No material weaknesses were reported during the audit of the financial statements for the year ended June 30, 2025.

No significant deficiencies were reported during the audit of the financial statements for the year ended June 30, 2025.

Compliance and Other Matters

There were no compliance findings material to the financial statements reported during the audit for the year ended June 30, 2025.

Section III - Internal Control and Compliance Material to Federal Awards

Internal Control/Compliance

There were no findings or questioned costs reported during the audit of the financial statements for the year ended June 30, 2025 related to internal control and compliance material to federal awards.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES

Louisiana Museum Foundation New Orleans, Louisiana

For the year ended June 30, 2025

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements

Internal Control Over Financial Reporting

No material weaknesses were reported during the audit of the financial statements for the year ended June 30, 2024.

2024-001 Bank Reconciliations

Criteria: Adequate design and documentation of internal controls over bank reconciliations is an important aspect of internal control. Policies and procedures should be designed and implemented to provide adequate procedures to ensure bank reconciliations are being prepared and reviewed timely.

Recommendation: The Foundation should establish procedures that require monthly bank reconciliations to be prepared by one individual and then reviewed by a different individual on a timely basis.

Status: Resolved.

Compliance and Other Matters

There were no compliance findings material to the financial statements reported during the audit for the year ended June 30, 2024.

Section II - Federal Award Findings and Questioned Cost

The Foundation did not expend more than \$750,000 in federal awards during the year ended June 30, 2024, therefore was exempt from audit requirements under Uniform Guidance.

Section III - Management Letter

A management letter was not issued in connection with the audit of the financial statements for the year ended June 30, 2024.

MANAGEMENT'S CORRECTIVE ACTION PLAN

Louisiana Museum Foundation New Orleans, Louisiana

For the year ended June 30, 2025

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements

Internal Control Over Financial Reporting

No material weaknesses were reported during the audit of the financial statements for the year ended June 30, 2025.

No significant deficiencies were reported during the audit of the financial statements for the year ended June 30, 2025.

Compliance and Other Matters

There were no compliance findings material to the financial statements reported during the audit for the year ended June 30, 2025.

Section II - Federal Award Findings and Questioned Costs

There were no federal award findings or questioned costs reported during the audit of the financial statements for the year ended June 30, 2025.

Section III - Management Letter

A management letter was not issued in connection with the audit of the financial statements for the year ended June 30, 2025.