

GRETN A ECONOMIC DEVELOPMENT ASSOCIATION, LTD.

FINANCIAL STATEMENTS

December 31, 2024



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Gretna Economic Development Association, LTD.
Gretna, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Gretna Economic Development Association, Ltd., which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Gretna Economic Development Association, Ltd. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Gretna Economic Development Association, Ltd.'s ability to continue as a going concern for 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 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, 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 Gretna Economic Development Association, Ltd.'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 Gretna Economic Development Association, Ltd.'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 Heads is presented for purposes of additional analysis, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Metairie, Louisiana
June 30, 2025

Wegmann Dazet, APC

GRETNA ECONOMIC DEVELOPMENT ASSOCIATION, LTD.
STATEMENT OF FINANCIAL POSITION

December 31, 2024

	2024
ASSETS	
Current assets	
Cash and cash equivalents	\$ 258,127
Accounts receivable	49,726
Prepaid expenses	<u>10,495</u>
Total current assets	318,348
Property and equipment, at cost less accumulated depreciation	<u>12,350</u>
Total assets	<u><u>\$ 330,698</u></u>
LIABILITIES	
Current liabilities	
Line of credit	\$ 298,739
Accounts payable and accrued expenses	29,375
Deferred revenue	<u>53,307</u>
Total liabilities	<u>381,421</u>
NET ASSETS	
Net assets	
Without donor restrictions	<u>(50,723)</u>
Total net assets	<u>(50,723)</u>
Total liabilities and net assets	<u><u>\$ 330,698</u></u>

See accompanying Notes to Financial Statements.

GRETNA ECONOMIC DEVELOPMENT ASSOCIATION, LTD.
STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2024

	<u>Without Donor Restrictions</u>
Revenues, support, and grants	
Gaming - Bingo	\$ 1,419,518
Farmers market	64,881
Parade	217,473
In-kind contributions	1,144,627
Grants	1,565,042
Membership	25,219
Gretna Fest	1,956,197
Advertising	388,970
Other income	8,449
	<u>6,790,376</u>
Expenses	
Program services	
Gretna Fest	4,829,220
Bingo	1,290,150
Parade	258,721
Farmers market	53,537
Supporting services	
General and administrative	92,505
	<u>6,524,133</u>
Change in net assets	266,243
Net assets	
Beginning of year	<u>(316,966)</u>
End of year	<u><u>\$ (50,723)</u></u>

See accompanying Notes to Financial Statements.

GRETNA ECONOMIC DEVELOPMENT ASSOCIATION, LTD.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2024

	Programming Services				Supporting Services	Total
	Gretna Fest	Gaming	Parade	Farmers market	General and administrative	expenses
Advertising/marketing	\$ 321,254	\$ 348	\$ 10,368	\$ 6,930	\$ 3,956	\$ 342,856
Auto expense	-	-	-	-	419	419
Bad debt expense	-	-	-	-	351	351
Bank and credit card fees	55,136	338	193	1,589	(1,475)	55,781
Charitable contributions	8,250	-	-	-	500	8,750
Depreciation expense	-	-	650	-	-	650
First responders	150,000	-	-	-	-	150,000
Food and drink	319,037	-	87,461	-	-	406,498
Equipment rental	518,062	-	104,550	-	-	622,612
Insurance	68,548	1,411	-	-	8,889	78,848
Entertainment	2,769,006	-	21,249	900	-	2,791,155
Licenses	-	325	-	-	15	340
Wages	-	62,900	-	-	29,690	92,590
Interest expense	24,771	-	-	-	-	24,771
Meals	2,768	166	-	3,065	3,361	9,360
Payout	-	1,002,030	-	-	-	1,002,030
Payroll tax expense	-	4,869	-	-	-	4,869
Rent expense	-	59,000	-	-	8,400	67,400
Security	-	36,501	-	-	-	36,501
Contract labor	402,546	-	-	25,680	-	428,226
Software	-	-	-	-	1,409	1,409
Supplies	14,941	116,619	31,095	10,593	1,344	174,592
Ticketing	174,901	-	-	-	-	174,901
Professional fees	-	5,643	3,155	-	35,014	43,812
Utilities	-	-	-	4,780	632	5,412
Total expenses	<u>\$ 4,829,220</u>	<u>\$ 1,290,150</u>	<u>\$ 258,721</u>	<u>\$ 53,537</u>	<u>\$ 92,505</u>	<u>\$ 6,524,133</u>

See accompanying Notes to Financial Statements.

GRETN A ECONOMIC DEVELOPMENT ASSOCIATION, LTD.
STATEMENTS OF CASH FLOWS

For the Year Ended December 31, 2024

	2024
Cash flows from operating activities:	
Change in net assets	\$ 266,243
Adjustments to reconcile change in net assets to net cash used by operating activities:	
Depreciation	650
(Increase) decrease in operating assets:	
Accounts receivable	(41,226)
Grants receivable	150,000
Prepaid expenses	(8,972)
Increase (decrease) in operating liabilities:	
Accounts payable and accrued expenses	(441,354)
Accrued payroll and related liabilities	(18,886)
Deferred revenue	53,307
Net cash used by operating activities	<u>(40,238)</u>
Cash flows from investing activities:	
Purchase of property and equipment	<u>(13,000)</u>
Net cash used by investing activities	<u>(13,000)</u>
Cash flows from financing activities:	
Borrowings under line of credit	90,000
Repayments of line of credit	<u>(70,000)</u>
Net cash provided by financing activities	<u>20,000</u>
Net decrease in cash and cash equivalents	(33,238)
Cash and cash equivalents at beginning of year	<u>291,365</u>
Cash and cash equivalents at end of year	<u><u>\$ 258,127</u></u>

See accompanying Notes to Financial Statements.

GRETNA ECONOMIC DEVELOPMENT ASSOCIATION, LTD.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

1) Nature of activities

Gretna Economic Development Association, Ltd. (the Organization) is a 501(c)(3) organization designed to assist in the development and growth of new and existing businesses within the community through education and support, recognition and promotion, as well as to act as a liaison between local, state and federal governments to identify needs and potential solutions. The Organization is focused on fostering relationships amongst businesses and the city and parish officials for the betterment of the community as a whole. The Organization also functions as the foundation for Gretna Fest as it serves to promote economic growth, tourism, and promote local businesses.

2) Summary of significant accounting policies

The significant accounting policies followed by the Organization are summarized as follows:

a) Net assets

The Organization reports contributions for use in general operations and not subject to donor restrictions as net assets without donor restrictions. The Organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

b) Cash and cash equivalents

All cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, are considered to be cash and cash equivalents.

c) Receivables and credit policies

Program service receivables consist primarily of amounts from the ticket handler of Gretna Fest. The receivables are stated at the amount management expects to collect from outstanding balances. The opening balance of accounts receivable at January 1, 2024 was \$8,500. An estimated allowance for credit losses is maintained to reduce the receivables to their carrying amount, which approximates fair value. Accounts are written off when management deems the account to be uncollectible. Recoveries of accounts previously written off are recorded when received. The allowance is estimated based on specific review of customer accounts as well as historical collection experience and current economic and business conditions. Management believes that as of December 31, 2024, there are no uncollectible accounts, therefore, no allowance is considered necessary.

d) Functional expenses

The costs of program and supporting service activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function.

e) Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Organization to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

GRETNA ECONOMIC DEVELOPMENT ASSOCIATION, LTD.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

2) Summary of significant accounting policies (continued)

f) Taxes

The Organization is organized as a nonprofit corporation and has been recognized by the IRS as exempt from federal income taxes under IRC Section 501(a) as organizations described in IRC Section 501(c)(3). In a letter dated January 21, 2000, the IRS issued a determination letter stating that the Organization meets the requirements for classification as a public charity. The Organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Organization is subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes.

Management believes that the Organization has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred. With few exceptions, the Organization is no longer subject to federal or state tax examinations beyond three years from the filing of those returns.

g) Concentration of credit risk

Deposit concentration risk is managed by placing cash with financial institutions believed by the Organization to be creditworthy. Deposits at each bank are insured by the Federal Deposit Insurance Corporation up to specific limits. At times, amounts on deposit may exceed insured limits. To date, no losses have been experienced in any of these accounts. Credit risk associated with accounts receivable are limited due to high historical collection rates.

The Organization received 100% of its grants from two grantors for the year ended December 31, 2024.

h) Revenue recognition

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions in which they depend have been substantially met.

A portion of the Organization's revenue is derived from Gretna Fest through the Cooperative Endeavor Agreements (CEA) with the City of Gretna and Jefferson Parish as disclosed in Note 8. These funds are conditioned upon the use of certain qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with the CEA.

Revenues from exchange transactions are obtained from admission fees and food and alcohol service. These revenues are recorded when the service is provided. Admission revenues are recorded when the event occurs. In addition, tickets purchased are nonrefundable upon purchase. Admission fees received in advance of their usage are classified as deferred revenue in the statement of financial position.

Gaming revenue is recognized on date of play.

Vendor rent is recognized as revenue when the services are provided at a point in time.

Membership dues, which are nonrefundable, are comprised of an exchange element based on the benefits received, and a contribution element for the difference. The Organization recognizes the exchange portion of membership dues over the membership period, and the contribution portion immediately. Payments are required at the start of the membership period.

GRETN A ECONOMIC DEVELOPMENT ASSOCIATION, LTD.
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

2) Summary of significant accounting policies (continued)

i) Advertising costs

Advertising costs are expensed as incurred and approximated \$342,856 during the year ended December 31, 2024.

j) In-kind contributions and donations

Contributed nonfinancial assets include donated services which are recorded at the respective fair values of the goods or services received. In addition to contributed nonfinancial assets, volunteers may contribute time to program services, administration and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. The Organization received \$1,114,627 of donated goods and services for the years ended December 31, 2024. The goods and services were valued using contracts and invoices.

k) Property and equipment

Property and equipment additions over \$2,500 are recorded at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from 5 to 7 years. When assets are sold or otherwise disposed of, the cost and related depreciation and amortization are removed from the accounts, and any resulting gain or loss is included in the statement of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

l) Leases

Right to use leased assets and the related liabilities are recognized at the lease commencement date and represent the Organization's right to use an underlying asset and lease obligations for the lease term. Right to use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right to use leased assets are amortized over the shorter of the lease term or the useful life of the underlying asset using the straight-line method. Leases with an initial term of 12 months or less are not recorded on the statement of financial position. There were no leases greater than 12 months as of December 31, 2024.

3) Property and equipment

Property and equipment consist of the following at December 31, 2024:

	2024
Furniture and fixtures	\$ 1,101
Equipment	16,077
Total cost	17,178
Less: accumulated depreciation	(4,828)
Property and equipment	<u>\$ 12,350</u>

4) Operating lease

The Organization has a cancellable lease agreement with a Company to lease space to conduct bingo. The rent expense is \$600 per bingo session and the lease terminates in June 2025. Rental expense under this agreement was \$59,000 for the year ended December 31, 2024.

GRETNA ECONOMIC DEVELOPMENT ASSOCIATION, LTD.
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

4) Operating lease (continued)

The Organization has a verbal lease agreement for office space available for use from the City of Gretna for \$1 a year. The Organization has determined that the fair value is approximately \$8,400 annually. This contribution has been recognized as both in-kind contribution revenue and rent expense in the statement of activities.

5) Supplemental cash flow disclosures

	<u>2024</u>
Cash paid during the year for interest	<u>\$ 24,771</u>

6) In-kind contributions

For the year ended December 31, 2024, contributed nonfinancial assets recognized within the statement of activities included the following:

	<u>2024</u>
Advertising	\$ 20,000
Gretna Fest vendor payout	41,478
Equipment rental	124,499
First responders	150,000
Rent	8,400
Entertainment	800,250
	<u>\$ 1,144,627</u>

Donated goods and services are recognized at fair value based on current rates for similar goods and services. All gifts-in-kind received during the years ended December 31, 2024 were unrestricted.

7) Line of credit

The Organization has an unsecured \$300,000 revolving line of credit with a bank. Borrowings under the line bear interest at the bank's prime rate less 1.75% or a floor of 8.5% (8.5% at December 31, 2024). Accrued interest and principal are due at maturity (August 26, 2025).

8) Cooperative Endeavor Agreement

The Organization entered into Cooperative Endeavor Agreements with Jefferson Parish and the City of Gretna to provide annual funding for the expenses associated with Gretna Fest for 2024, 2025 and 2026. The amount is not to exceed \$550,000 per year for each of the three years from each Jefferson Parish and the City of Gretna. Gretna Fest will promote tourism and visitation in the City of Gretna. As of December 31, 2024, the Organization has recorded \$1,100,000 as grant income related to these Cooperative Endeavor Agreements.

The Organization entered into a Cooperative Endeavor Agreement with the City of Gretna to provide \$150,000 to be used for police, ambulance, city and public works overtime and public works supplies as well as \$250,000 for other expenses relating directly to the production of Gretna Fest. As of December 31, 2024, the Organization has recorded \$400,000 as in-kind donations related to these Cooperative Endeavor Agreements.

The Organization entered into Cooperative Endeavor Agreement with Jefferson Parish to provide annual funding of \$150,000 for the expenses associated with Gretna Fest for 2024. As of December 31, 2024, the Organization has recorded \$150,000 as grant income related to this Cooperative Endeavor Agreement.

GREटना ECONOMIC DEVELOPMENT ASSOCIATION, LTD.
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

9) Liquidity and availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Cash and cash equivalents	\$ 258,127
Accounts receivable	<u>49,726</u>
Total	<u>\$ 307,853</u>

To help manage unanticipated liquidity needs, the Organization has established a line of credit in the amount of \$300,000 (Note 7).

10) Subsequent events

Management evaluated subsequent events through the date of the independent auditor's report, the date which the financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

GRETNA ECONOMIC DEVELOPMENT ASSOCIATION, LTD.
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO AGENCY HEADS
For the Year Ended December 31, 2024

SUMMARY OF COMPENSATION

Courtney Kattengell, Executive Director

- None of the agency head's compensation was derived from state and/or local assistance.

GOVERNMENT AUDITING STANDARD REPORT

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

Board of Directors
Gretna Economic Development Association, LTD.
Gretna, 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 the Gretna Economic Development Association, Ltd., which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated June 30, 2025.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Gretna Economic Development Association, Ltd.'s internal control over financial reporting (internal control) as a basis for designing 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 Gretna Economic Development Association, Ltd.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Gretna Economic Development Association, Ltd.'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 have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Gretna Economic Development Association, Ltd.'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 result 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.

Metairie, Louisiana
June 30, 2025

Wegmann Dazet, APC

GREटना ECONOMIC DEVELOPMENT ASSOCIATION, LTD.
SUMMARY SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2024

Financial Statements

- | | |
|--|------------|
| 1. Type of auditor's report: | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weakness identified? | No |
| b. Significant deficiencies identified? | Yes |
| 3. Noncompliance material to the financial statements noted? | No |

Federal Awards

Not applicable

Part II – Financial Statement Findings

2024-001 *Lack of segregation of duties – significant deficiency*

- | | |
|-----------------|--|
| Condition: | Lack of segregation of duties over financial processes. |
| Criteria: | For an effective control system, division of accounting duties should exist to prevent errors or misappropriations from going undetected in the course of employees and volunteers performing assigned duties. |
| Context: | The lack of segregation of duties exists within the Organization, at certain program levels, over its accounting functions. This is a common circumstance in nonprofit organization of similar size. |
| Effect: | Errors or misappropriations could occur and go undetected for a period of time. |
| Cause: | Limited number of employees and volunteers available to appropriately divide duties. |
| Recommendation: | The Organization's governing board should be cognizant of the issue and provide appropriate oversight to accounting functions, including accounts payable disbursements and reconciliations. |

Views of Responsible Officials and Corrective Actions:
The Organization agrees with the recommendation.

Management Letter Comments

None Noted

GREटना ECONOMIC DEVELOPMENT ASSOCIATION, LTD.
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024

**SECTION I INTERNAL CONTROL AND COMPLAINE MATERIAL
TO THE FINANCIAL STATEMENTS**

Condition: Lack of segregation of duties over financial processes.

Status: See current year finding 2024-001.

Reason for findings recurrence:

Noted in the current year, oversight to accounting functions, including accounts payable disbursements and reconciliations has not been corrected for all programs.

Corrective action:

For year ending 2024, the Board implemented additional procedures to address the finding and will continue to implement procedures in 2025 to fully resolve the finding.

**SECTION II INTERNAL CONTROL AND COMPLAINE MATERIAL
TO THE FEDERAL AWARDS**

Not applicable

SECTION III MANAGEMENT LETTER

None Noted



Renee Ferrera
President, Board of Directors
gedainfo@gedaweb.com

327 Huey P. Long Ave.
Gretna, LA 70053

**GREYNA ECONOMIC DEVELOPMENT ASSOCIATION, LTD
CORRECTIVE ACTION PLAN FOR FISCAL YEAR 2024 AUDIT**

For the Year Ended December 31, 2024

Name of Responsible Person:

Renee Ferrera, Board President
mrenee@kw.com

Financial Statement Finding 2024-001: Segregation of Duties

For an effective control system, division of accounting duties should exist to prevent errors or misappropriations from going undetected in the course of employees and volunteers performing assigned duties.

Corrective Action Plan

Effective January 1, 2025, GEDA's has outsourced its accounting to an independent accounting firm. The accounting firm has preset controls for approval of disbursements and bank reconciliations.

Completion Date: 1/1/2025

Renee Ferrera
President

GRETNA ECONOMIC DEVELOPMENT ASSOCIATION, LTD.

STATEWIDE AGREED-UPON PROCEDURES

FOR THE YEAR ENDED DECEMBER 31, 2024

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Gretna Economic Development Association, Ltd.
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, 2024 through December 31, 2024. Gretna Economic Development Association, LTD. (Entity) management is responsible for those C/C areas identified in the SAUPs.

The Entity 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 the LLA's SAUPs for the fiscal period January 1, 2024 through December 31, 2024. 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.

N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.

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 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.

Procedure Results – 3A.iii is not applicable to the entity. We performed the other procedures noted above and noted the exception below.

The minutes did not reference updates on the progress of resolving audit findings.

Management Responses and Corrective Action Plan:

- 2A.iv. Board will ensure that all that future meetings will receive written updates of the progress of resolving audit findings according to management's corrective action plan at each meeting until the findings are considered fully resolved.

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.

Procedure Results - We performed the procedures noted above and noted the exception below.

Management did not sign all bank reconciliations as evidence of review and approval. No other findings noted.

Management Responses and Corrective Action Plan:

- 3A.ii. Board will ensure that all that bank reconciliations are reviewed and approved within one month of the reconciliation being completed. Evidence of the review will be documented by initialing and dating the bank reconciliation.

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).

Procedure Results - We performed the procedures noted above and noted no exceptions.

- 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.

Procedure Results – We performed the procedure noted above and noted no exceptions.

- 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.

Procedure Results – We performed the procedure noted above and noted no exceptions.

- 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.

Procedure Results – We performed the procedure noted above and noted no exceptions.

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

Procedure Results – We performed the procedure noted above and noted no exceptions.

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

Procedure Results - We performed the procedures noted above and noted no exceptions.

- 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). *Alternately, 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.

Procedure Results – 4D.i is not applicable to the entity as they do not use receipts that are sequentially pre-numbered. We performed the other procedures noted above and noted the exception below.

Deposits for collection locations are not always deposited within one day of collection.

Management Responses and Corrective Action Plan:

4D.iv. Board will ensure that all deposits are made within one business day of receipt.

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).

Procedure Results - We performed the procedure noted above and noted no exceptions.

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

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

Procedure Results - We performed the procedures noted above and noted no exceptions.

- 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.

Procedure Results - We performed the procedures noted above and noted the exception below.

Not all disbursements were supported with an invoice.

Management Responses and Corrective Action Plan:

- 5C.i. Board will ensure proper documentation is attached for all disbursements which includes the correct related invoice.
- 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.

Procedure Results - We performed the procedure noted above and noted the exception below.

Not all disbursements were approved for payment.

Management Responses and Corrective Action Plan:

- 5C.ii. Board will ensure that all invoices are marked and approved with a signature stamp to segregate the approval and payment functions.
- 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.

Procedure Results - We performed the procedures noted above and noted no exceptions.

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.

Procedure Results - We performed the procedure noted above and noted no exceptions.

- 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., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.
- ii. Observe that finance charges and late fees were not assessed on the selected statements.

Procedure Results - We performed the procedures noted above and noted the exceptions below.

Procedure Results - We performed the procedures noted above and noted the exceptions below.

Appropriate itemized receipts were not available for all tested transactions, and some lacked the approval of someone other than the authorized card holder. Finance charges and late fees were assessed for one month during the period.

Management Responses and Corrective Action Plan:

- 6B.i. Board will ensure that all credit card invoices are approved by someone other than the cardholder.
- 6B.ii. Board will ensure that credit card payments are made timely to avoid finance charges and late fees.
- C. Using the monthly statements or combined statements selected under #7B above, excluding fuelcards, 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 note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Procedure Results - We performed the procedures noted above and noted the exception below.

All credit card charges were not supported by an invoice that included written documentation of business/public purpose.

Management Responses and Corrective Action Plan:

- 6C Board will ensure that all credit card charges are supported by an itemized receipt that identifies what was purchased, written documentation of the business purpose and documentation of the individuals participating in the meals.

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, 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 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 in procedure #1A(vii).

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

N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.

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. *Alternately, 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 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, was approval documented).
 - 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 the invoice and related payment agreed to the terms and conditions of the contract.

N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.

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.

N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.

- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #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.
 - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.

- 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, 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 or official's cumulative leave records, agree the pay rates to the employee or official's authorized pay rates in the employee or official's personnel files, and agree the termination payment to entity policy.

N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.

- 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.

N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.

10) Ethics

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and:
- i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
 - ii. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Procedure Results – Procedure not applicable since the entity is a not for profit organization.

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

Procedure Results – Procedure not applicable since the entity is a not for profit organization.

11) Debt Service

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

N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.

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

N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.

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.

N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.

- 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.

N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.

13) Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."
- i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
 - ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, 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.
 - iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.

- B. 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.

N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.

- C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

- Hired before June 9, 2020 - completed the training; and
- Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.

14) Prevention of Sexual Harassment

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

Procedure Results – Procedure not applicable to the entity.

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

Procedure Results – Procedure not applicable to the entity.

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

- Number and percentage of public servants in the agency who have completed the training requirements.
- Number of sexual harassment complaints received by the agency.
- Number of complaints which resulted in a finding that sexual harassment occurred.
- Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action.
- Amount of time it took to resolve each complaint.

Procedure Results – Procedure not applicable to the entity.

We were engaged by the Entity 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 Entity 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.

Metairie, Louisiana
June 30, 2025

Wegmann Dazet, APC