

LOUISIANA BUSINESS INCUBATION ASSOCIATION
REPORT ON REVIEW OF FINANCIAL STATEMENTS
REPORT ON APPLYING AGREED-UPON PROCEDURES
INCLUDING THE LOUISIANA ATTESTATION QUESTIONNAIRE

JUNE 30, 2019

BATON ROUGE, LOUISIANA

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Independent Accountant's Review Report

To the Board of Directors
Louisiana Business Incubation Association
Baton Rouge, Louisiana

We have reviewed the accompanying financial statements of Louisiana Business Incubation Association (a nonprofit Association), which comprise the statement of financial position as of June 30, 2019, the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility 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; this includes 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Summarized Comparative Information

We previously reviewed Louisiana Business Incubation Association's 2018 financial statements and in our conclusion dated December 19, 2018, stated that based on our review, we were not aware of any material modifications that should be made to the 2018 financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America. We are not aware of any material modifications that should be made to the summarized comparative information presented herein as of and for the year ended June 30, 2018, for it to be consistent with the reviewed financial statements from which it has been derived.

Respectfully submitted,

Hannis T. Bourgeois, LLP

Baton Rouge, Louisiana
December 30, 2019

LOUISIANA BUSINESS INCUBATION ASSOCIATION

STATEMENT OF FINANCIAL POSITION

AS OF JUNE 30, 2019 WITH COMPARATIVE TOTALS FOR 2018

| | <u>ASSETS</u> | |
|-----------------------------|-----------------------------------|-------------------|
| | 2019 | 2018 |
| Current Assets: | | |
| Cash and Cash Equivalents | \$ 66,599 | \$ 43,340 |
| Accounts Receivable | 136,350 | 115,176 |
| Total Current Assets | <u>\$ 202,949</u> | <u>\$ 158,516</u> |
| | <u>LIABILITIES AND NET ASSETS</u> | |
| Current Liabilities: | | |
| Accounts Payable | \$ 142,862 | \$ 115,541 |
| Total Current Liabilities | 142,862 | 115,541 |
| Net Assets: | | |
| Without Donor Restrictions | 60,087 | 42,975 |
| Total Net Assets | <u>60,087</u> | <u>42,975</u> |
| | <u>\$ 202,949</u> | <u>\$ 158,516</u> |

See independent accountant's review report and the accompanying notes.

LOUISIANA BUSINESS INCUBATION ASSOCIATION

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2019
WITH COMPARATIVE TOTALS FOR 2018

| | Without Donor Restrictions | With Donor Restrictions | 2019 Total | 2018 Total |
|---|-------------------------------|----------------------------|---------------|---------------|
| Support: | | | | |
| LED Awards | \$ - | \$ 212,799 | \$ 212,799 | \$ 186,549 |
| Member Dues | 3,561 | - | 3,561 | 2,800 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Support | 3,561 | 212,799 | 216,360 | 189,349 |
| Net Assets Released from Restriction | 212,799 | (212,799) | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Support and Net Assets Released from Restriction | 216,360 | - | 216,360 | 189,349 |
| Expenses: | | | | |
| Program Services: | | | | |
| Business Development | 189,200 | - | 189,200 | 170,842 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 189,200 | - | 189,200 | 170,842 |
| Supporting Services: | | | | |
| General & Administrative | 10,048 | - | 10,048 | 8,921 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 10,048 | - | 10,048 | 8,921 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Expenses | 199,248 | - | 199,248 | 179,763 |
| Change in Net Assets | 17,112 | - | 17,112 | 9,586 |
| Net Assets, Beginning of Year | 42,975 | - | 42,975 | 33,389 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Net Assets, End of Year | \$ 60,087 | \$ - | \$ 60,087 | \$ 42,975 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

See independent accountant's review report and the accompanying notes.

LOUISIANA BUSINESS INCUBATION ASSOCIATION

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2019
WITH COMPARATIVE TOTALS FOR 2018

| | Program Services <u>Business Development</u> | Supporting Services <u>General & Administrative</u> | 2019 Total Program and Supporting Services | 2018 Total Program and Supporting Services |
|-------------------------|--|---|---|---|
| Incubator Awards | \$ 189,200 | \$ - | \$ 189,200 | \$ 170,842 |
| Professional Fees | - | 9,200 | 9,200 | 8,550 |
| Website | - | 581 | 581 | 45 |
| Dues & Subscriptions | - | - | - | 320 |
| Meals and Entertainment | - | 176 | 176 | - |
| Bank Charges | - | 79 | 79 | - |
| Miscellaneous | - | 12 | 12 | 6 |
| Total | <u>\$ 189,200</u> | <u>\$ 10,048</u> | <u>\$ 199,248</u> | <u>\$ 179,763</u> |

See independent accountant's review report and the accompanying notes.

LOUISIANA BUSINESS INCUBATION ASSOCIATION

STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED JUNE 30, 2019
WITH COMPARATIVE TOTALS FOR 2018**

| | <u>2019</u> | <u>2018</u> |
|---|-------------------------|-------------------------|
| Cash Flows from Operating Activities: | | |
| Change in Net Assets | \$ 17,112 | \$ 9,586 |
| Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities | | |
| (Increase) Decrease in Accounts Receivable | (21,174) | 31,158 |
| Increase (Decrease) in Accounts Payable | <u>27,321</u> | <u>(25,401)</u> |
| Net Cash Provided by Operating Activities | <u>23,259</u> | <u>15,343</u> |
| Net Increase in Cash and Cash Equivalents | 23,259 | 15,343 |
| Cash and Cash Equivalents, Beginning of Year | <u>43,340</u> | <u>27,997</u> |
| Cash and Cash Equivalents, End of Year | <u><u>\$ 66,599</u></u> | <u><u>\$ 43,340</u></u> |

See independent accountant's review report and the accompanying notes.

LOUISIANA BUSINESS INCUBATION ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 1 - Nature of Activities and Significant Accounting Policies -

Nature of Activities

The Louisiana Business Incubation Association (the Association), a Louisiana not-for-profit, is domiciled in Baton Rouge, Louisiana. It was created to promote alliances among incubators, governmental agencies, and professional economic developers in order to enhance the growth and diversification of businesses and economy in Louisiana. The Association's support comes primarily from cooperative endeavor agreements with the Louisiana Department of Economic Development. The balance of revenues earned were received from members through annual dues.

The significant accounting policies are as follows:

Basis of Accounting and Presentation

The financial statements of the Association have been prepared on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses are recognized when incurred. The Association reports information regarding its financial position and activities according to the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions: Net assets available for use in general operations and not subject to donor restrictions.

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

All net assets held by the Association as of June 30, 2019 are considered to be without donor restrictions.

Estimates

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

See independent accountant's review report.

Statement of Cash Flows

For purposes of reporting cash flows, cash and cash equivalents include all highly liquid debt instruments with original maturities of three months or less.

Accounts Receivable

The Association uses the allowance method of accounting as required by generally accepted accounting principles. There is no allowance recorded in the accompanying financial statements as all receivables are expected to be collected.

Contributions

All contributions are considered to be available without donor restrictions unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as with donor restrictions support that increases that net asset class. When a donor 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.

Contributed Services

The Association recognizes contribution revenue for certain services received at the fair value of those services provided those services create or enhance nonfinancial assets or require specialized skills, which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. For the year ended June 30, 2019, management considered the value of contributed services meeting the requirements for recognition in the financial statements not material to the financial statements. Therefore contributed services are not recorded in these financial statements.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities. The Statement of Functional Expenses present the natural classification detail of expenses by function. Program services are the direct costs related to accomplishing the Association's objectives. All other expenses are classified as supporting services.

Income Taxes

The Association operates as a not-for-profit Association and has received exempt status under Code Section 501(c)(6) of the Internal Revenue Code. Accordingly, no liability or expense has been recorded in the accompanying financial statements.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Association and recognize a tax liability (or asset) if the Association has taken an uncertain tax position that would more likely than not be substantiated upon examination. Management has analyzed the tax positions taken by the Association and has concluded that as of June 30, 2019, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

See independent accountant's review report.

The Association files income tax returns in the U.S. federal jurisdiction and the state of Louisiana. With few exceptions, the Association is no longer subject to federal and state income tax examinations by tax authorities for years before 2015. Any interest and penalties assessed by income taxing authorities are not significant and are included in general and administrative expenses in these financial statements as applicable.

Recent Accounting Pronouncements

During the year ended June 30, 2019 the Association implemented Accounting Standards Update (ASU) 2016-14, *Financial Statements of Not-for-Profit Entities*. Accordingly, the beginning balances of net assets that were previously presented as unrestricted have been presented as without donor restrictions in these financial statements. The ASU also requires additional disclosures regarding liquidity and availability of certain financial assets which is discussed at Note 2 in these financial statements. Lastly, the ASU requires the presentation of expenses by function and natural classification which has been reflected in the Statements of Functional Expenses in these financial statements. This is a presentation standard and had no effect on the previously reported change in net assets and net assets without donor restrictions.

In June 2018, the FASB issued ASU No. 2018-08, Not-for-Profit Entities (Topic 958), *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. The amendments in this ASU should assist entities in (1) evaluating whether transactions should be accounted for as contributions (non-reciprocal transactions) within the scope of Topic 958, Not-for-Profit Entities, or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. This standard will be effective for periods beginning after December 15, 2018. The Association is evaluating the impact the pronouncement may have on its financial statements.

In February 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-02, *Leases (Topic 842)*, which will require leases to be recorded as an asset on the balance sheet for the right to use the leased asset and a liability for the corresponding lease obligation for leases with terms of more than twelve months. ASU 2016-02 is effective for non-public companies for fiscal years beginning after December 15, 2019, with early adoption permitted. In November 2019, the FASB delayed the effective date for non-public companies to fiscal years beginning after December 15, 2020. The Association is evaluating the impact the pronouncement may have on its financial statements.

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. This ASU replaces nearly all existing U.S. GAAP guidance on revenue recognition. In August 2015, the FASB issued ASU No. 2015-14, *Revenue from Contracts with Customers: Topic 606: Deferral of Effective Date*. This standard delays the effective date for non-public entities to fiscal years beginning after December 15, 2018, with early adoption permitted. The Association is evaluating the impact the pronouncement may have on its financial statements.

Subsequent Events

The Association evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through December 30, 2019, the date which the financial statements were available to be issued.

Note 2 - Liquidity and Availability -

The following reflects the Association's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date. The Association's goal is to maintain liquid financial assets to meet 90 days of operating expenses.

Financial Assets at Year-end:

| | |
|---------------------------|-----------|
| Cash and Cash Equivalents | \$ 66,599 |
| Accounts Receivable | 136,350 |
| | <hr/> |
| | 202,949 |

Less amounts not available for general expenditures within one year, due to:

| | |
|------------------|-----------|
| Accounts Payable | (142,862) |
| | <hr/> |

Financial assets available to meet cash needs for general expenditures within one year

\$ 60,087

Note 3 - Accounts Receivable -

Accounts Receivable of the Association as of June 30, 2019, totaled \$136,350. The balance at June 30, 2019 consists of amounts due from the Louisiana Department of Economic Development through a Cooperative Endeavor Agreement for the period July 1, 2016 through June 30, 2019.

Note 4 - Accounts Payable -

Accounts Payable of the Association as of June 30, 2019, total \$142,862. The balance at June 30, 2019 includes \$141,162 for awards due to individual member incubators and technology parks based on the requirements of the Cooperative Endeavor Agreement with the Louisiana Department of Economic Development. It also includes \$1,700 in general and administrative expenses payable.

Note 5 - Concentration of Revenue Sources -

Approximately 99% of the Association's revenue is derived from the Cooperative Endeavor Agreement with the Louisiana Department of Economic Development. In the event funding is terminated, the Association's operations and program services would be greatly diminished.

Note 6 - Compensation, Benefits, and Other Payments to Agency Head -

Agency head, Kenny Anderson, President, does not receive any compensation, payments for benefits, or any other payments.

See independent accountant's review report.

OTHER INFORMATION

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Independent Accountant's Report on
Applying Agreed-Upon Procedures

To the Board of Directors
Louisiana Business Incubation Association
Baton Rouge, Louisiana

We have performed the procedures enumerated below, which were agreed to by Louisiana Business Incubation Association and the Louisiana Legislative Auditor (the specified parties), on Louisiana Business Incubation Association's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended June 30, 2019, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The Louisiana Business Incubation Association's management is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Federal, State, and Local Awards

1. Obtain the list of federal, state, and local government grant award expenditures for the fiscal year, by grant and grant year, from the Association's management.

The Association expended \$189,200 for distributions to member incubators and technology parks in accordance with requirements of the Cooperative Endeavor Agreement with the Louisiana Department of Economic Development (LED).

The Association represented that they received no federal or local government grant awards during the fiscal year ended June 30, 2019.

2. For each federal, state, and local grant award, randomly select six disbursements from each grant administered during the fiscal year, provided that no more than 30 disbursements are selected.

Selected 6 disbursements from the Cooperative Endeavor Agreement with the Louisiana Department of Economic Development (LED).

3. Obtain documentation for the disbursements selected in Procedure 2. Compare the selected disbursements to supporting documentation, and report whether the disbursements agree to the amount and payee in the supporting documentation.

Each of the selected disbursements agreed to the amount and payee in the supporting documentation.

4. Report whether the selected disbursements were coded to the correct fund and general ledger account.

All of the disbursements were coded to the correct fund and general ledger account.

5. Report whether the selected disbursements were approved in accordance with the Association's policies and procedures.

The Association's policies and procedures state that the Treasurer of the Board will approve all disbursements. Documentation supporting each of the selected disbursements indicated approval from the Treasurer of the Board.

6. For each selected disbursement made for federal grant awards, obtain the *Compliance Supplement* for the applicable federal program. For each disbursement made for a state or local grant award, or for a federal program not included in the *Compliance Supplement*, obtain the grant agreement. Compare the documentation for each disbursement to the program compliance requirements or the requirements of the grant agreement relating to activities allowed or unallowed, eligibility, and reporting; and report whether the disbursements comply with these requirements.

There were no disbursements made for federal grant awards. We obtained the grant agreement for disbursements made for state grant awards, and noted the disbursements appeared to comply with the requirements of the Cooperative Endeavor Agreement with the Louisiana Department of Economic Development (LED).

7. Obtain the close-out reports, if required, for any program selected in Procedure 2 that was closed out during the fiscal year. Compare the close-out reports, if applicable, with the Association's financial records; and report whether the amounts in the close-out reports agree with the Association's financial records.

A final report was not submitted to LED by August 30, 2019. See the Summary Schedule of Findings finding **2019-01**.

Open Meetings

8. Obtain evidence from management that agendas for meetings recorded in the minute book were posted as required by Louisiana Revised Statute 42:11 through 42:28 (the open meetings law), and report whether there are any exceptions.

The Association is not subject to the open meetings law.

Budget

9. For each grant exceeding five thousand dollars, obtain the comprehensive grant budgets that the agency provided to the applicable federal, state or local grantor agency. Report whether the budgets for federal, state and local grants included the purpose and duration of the grants; and whether budgets for state grants also included specific goals, objectives, and measures of performance.

Management provided us with a copy of the adopted budget in regards to the use of LED funding. We also sighted the signed Cooperative Endeavor Agreement between Louisiana Business Incubation Association and the Louisiana Department of Economic Development. The agreement includes a Project Budget that includes the total anticipated funding amount and anticipated support award and administrative expense amounts for the 2018-2019 grant year. The agreement also includes a "Plan of Action" that establishes an outline of the project and activities, goals, objectives and performance measures.

State Audit Law

10. Report whether the agency provided for a timely report in accordance with R.S. 24:513.

The 2018 review was due December 31, 2018 and was submitted through the Local Government Reporting System on December 21, 2018.

11. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

There were no expenditures made during the year for materials and supplies exceeding \$30,000 and no expenditures were made for public works exceeding \$154,450.

The Association has not entered into any contracts that are subject to public bid law.

Prior-Year Comments

12. Obtain and report management's representation as to whether any prior year suggestions, exceptions, recommendations, and/or comments have been resolved.

No prior year findings were noted.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Association's compliance with the foregoing matters. 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.

The purpose of this report is solely to describe the scope of testing performed on the Association's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, 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 Louisiana Legislative Auditor as a public document.

Respectfully submitted,

Hannis T. Bourgeois, LLP

Baton Rouge, Louisiana
December 30, 2019

LOUISIANA BUSINESS INCUBATION ASSOCIATION

SUMMARY SCHEDULE OF FINDINGS

FOR THE YEAR ENDED JUNE 30, 2019

Finding 2019-01 - Final Report

Criteria: By August 30, 2019, Contractor shall submit to LED a written Final Report on progress made in achieving the Louisiana Business Incubation Support goals and objectives and performance indicators established by LED.

Condition: A final report was not submitted to LED by August 30, 2019.

Cause: Management submitted other reports timely, but noted the final report was missed.

Effect or potential effect: Not submitting a final report to LED in a timely manner could result in loss of future cooperative endeavor agreement funding.

Recommendation: Management should monitor cooperative endeavor agreement requirements and be sure to submit all reports timely.

Management response: Management agrees with the recommendation above.

LOUISIANA BUSINESS INCUBATION ASSOCIATION

SUMMARY SCHEDULE OF PRIOR FINDINGS

FOR THE YEAR ENDED JUNE 30, 2019

None.

LOUISIANA ATTESTATION QUESTIONNAIRE

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-Public Agencies)

Dear Chief Executive Officer:

Attached is the Louisiana Attestation Questionnaire that is to be completed by you or your staff. This questionnaire is a required part of the review/attestation engagement of Louisiana quasi-public agencies. The completed and signed questionnaire must be presented to and adopted by the governing body, if any, of your organization by means of a formal resolution in an open meeting.

The completed and signed attestation questionnaire and a copy of the adoption instrument, if appropriate, **must be given to the independent certified public accountant at the beginning of the engagement.** The CPA will, during the course of his/her engagement, perform certain agreed-upon procedures to the responses in the questionnaire. It is not necessary to return the questionnaire to the Legislative Auditor's office.

Certain portions of the questionnaire may not be applicable to your organization. In such cases, it is appropriate to mark the representation "not applicable." However, you must respond to each applicable representation. A 'yes' answer indicates that you have complied with the applicable law or regulation. A 'no' answer to any representation indicates a possible violation of law or regulation and, as such, should be fully explained. These matters will be reviewed by the CPA during the course of his/her engagement. Please feel free to attach a further explanation of any representation.

Your cooperation in this matter will be greatly appreciated.

Sincerely,

Daryl G. Purpera, CPA, CFE
Louisiana Legislative Auditor

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Agencies)

(Date Transmitted)

Hannis T. Bourgeois (CPA Firm Name)

2322 Tremont (CPA Firm Address)

Baton Rouge LA 70809 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of 6/30/19 (date) and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Federal, State, and Local Awards

We have detailed for you the amount of federal, state, and local award expenditures for the fiscal year, by grant and grant year.

Yes ☒ No ☐

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and local grantor officials.

Yes ☒ No ☐

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes ☒ No ☐

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes ☒ No ☐

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law). **Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meeting FAQs," available on the Legislative Auditor's website to determine whether a non-profit agency is subject to the open meetings law.**

Yes ☐ No ☒

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes ☒ No ☐

Reporting

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes ☒ No ☐

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes [☒] No []

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes [☒] No []

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes [☒] No []

General

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes [☒] No []

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes [☒] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes [☒] No []

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.

Yes [☒] No []

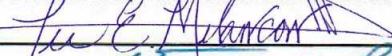
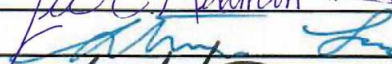
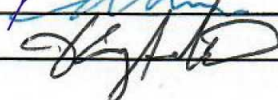
We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.

Yes [☒] No []

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Yes [☒] No []

The previous responses have been made to the best of our belief and knowledge.

| | | | |
|---|-----------|----------|------|
|  | Secretary | 12/18/19 | Date |
|  | Treasurer | 12/19/19 | Date |
|  | President | 12/19/19 | Date |