

Financial Report

(Reviewed)

Preservation Alliance of New Orleans, Inc.
d/b/a
Preservation Resource Center of New Orleans

June 30, 2023



**PRESERVATION
RESOURCE CENTER**
— of NEW ORLEANS —

Financial Report

(Reviewed)

Preservation Alliance of New Orleans, Inc.
d/b/a
Preservation Resource Center of New Orleans

June 30, 2023

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d/b/a Preservation Resource Center of New Orleans
New Orleans, Louisiana**

June 30, 2023 and 2022

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FINANCIAL SECTION

INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Directors,
Preservation Alliance of New Orleans, Inc.
d/b/a Preservation Resource Center of New Orleans,
New Orleans, Louisiana.

We have reviewed the accompanying financial statements of Preservation Alliance of New Orleans, Inc. d/b/a Preservation Resource Center of New Orleans (PRC) (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and 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 PRC's 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 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 these 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.

We are required to be independent of PRC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

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.

Supplementary Information

The 2023 supplementary information included in Schedule 1 is presented for purposes of additional analysis and is required by the Louisiana Revised Statute 24:513(A)(3) and is not a required part of the financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

Report on 2022 Financial Statements and Supplementary Information

The 2022 financial statements were audited by us, and we expressed an unmodified opinion on them in our report dated December 1, 2022. We have not performed any auditing procedures on the financial statements since that date.

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

Certified Public Accountants.

New Orleans, Louisiana,
December 8, 2023.

STATEMENTS OF FINANCIAL POSITION

Preservation Alliance of New Orleans, Inc.
d/b/a Preservation Resource Center of New Orleans
New Orleans, Louisiana

June 30, 2023 and 2022

See Independent Accountant's Review Report

ASSETS

| | <u>2023</u> | <u>2022</u> |
|--------------------------------------|---------------------|---------------------|
| Assets | | |
| Cash and cash equivalents | \$ 1,922,810 | \$ 2,280,712 |
| Grants receivable | 15,447 | 19,502 |
| Unconditional promises to give | 2,500 | 12,000 |
| Employee Retention Credit receivable | - | 79,711 |
| Rebuilding Together receivable | - | 72,986 |
| Other receivables | 60,778 | 60,870 |
| Other asset | 7,184 | 1,807 |
| Prepaid expenses | 122,454 | 95,796 |
| Investments | 5,330,984 | 4,829,199 |
| Property and equipment, net | 396,797 | 358,783 |
| | <u>\$ 7,858,954</u> | <u>\$ 7,811,366</u> |
| Total assets | <u>\$ 7,858,954</u> | <u>\$ 7,811,366</u> |

LIABILITIES AND NET ASSETS

| | | |
|----------------------------------|---------------------|---------------------|
| Liabilities | | |
| Accounts payable | \$ 7,405 | \$ 25,254 |
| Accrued liabilities | 59,358 | 30,323 |
| Insurance note payable | 101,933 | - |
| Capital lease obligations | - | 4,325 |
| | <u>168,696</u> | <u>59,902</u> |
| Total liabilities | <u>168,696</u> | <u>59,902</u> |
| Net Assets | | |
| Without donor restrictions: | | |
| Undesignated | 1,949,004 | 2,350,266 |
| Designated | 4,348,374 | 4,097,221 |
| With donor restrictions | 1,392,880 | 1,303,977 |
| | <u>7,690,258</u> | <u>7,751,464</u> |
| Total net assets | <u>7,690,258</u> | <u>7,751,464</u> |
| Total liabilities and net assets | <u>\$ 7,858,954</u> | <u>\$ 7,811,366</u> |

See notes to financial statements.

STATEMENT OF ACTIVITIES

Preservation Alliance of New Orleans, Inc.
d/b/a Preservation Resource Center of New Orleans
 New Orleans, Louisiana

For the year ended June 30, 2023

See Independent Accountant's Review Report

| | Without Donor Restrictions | With Donor Restrictions | Totals |
|---|----------------------------------|-------------------------------|------------|
| Support and Revenue | | | |
| Contributions | \$ 214,118 | \$ 100,000 | \$ 314,118 |
| Memberships | 224,603 | - | 224,603 |
| Grant income | 92,605 | - | 92,605 |
| Special events, net of direct benefit expenses of \$48,415 | 339,836 | - | 339,836 |
| Investment income, net | 478,007 | - | 478,007 |
| Fees, sales, and other revenue | 241,618 | - | 241,618 |
| Net assets released from restrictions - satisfaction of restrictions | 11,097 | (11,097) | - |
| Total support and revenue | 1,601,884 | 88,903 | 1,690,787 |
| Expenses | | | |
| Program services: | | | |
| Advocacy | 102,367 | - | 102,367 |
| Preservation in Print | 249,912 | - | 249,912 |
| Revival Grants | 73,003 | - | 73,003 |
| Education and Outreach/other | 432,393 | - | 432,393 |
| Total program services | 857,675 | - | 857,675 |

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Totals</u> |
|-----------------------------|---|--|----------------------------|
| Expenses (Continued) | | | |
| Supporting services: | | | |
| General and administrative | 678,426 | - | 678,426 |
| Fundraising | 215,892 | - | 215,892 |
| Total supporting services | <u>894,318</u> | <u>-</u> | <u>894,318</u> |
| Total expenses | <u>1,751,993</u> | <u>-</u> | <u>1,751,993</u> |
| Changes in net assets | (150,109) | 88,903 | (61,206) |
| Net Assets | | | |
| Beginning of year | <u>6,447,487</u> | <u>1,303,977</u> | <u>7,751,464</u> |
| End of year | <u><u>\$ 6,297,378</u></u> | <u><u>\$ 1,392,880</u></u> | <u><u>\$ 7,690,258</u></u> |

See notes to financial statements.

STATEMENT OF ACTIVITIES

Preservation Alliance of New Orleans, Inc.
d/b/a Preservation Resource Center of New Orleans
New Orleans, Louisiana

For the year ended June 30, 2022

See Independent Accountant's Review Report

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Totals</u> |
|---|---|--|------------------|
| Support and Revenue | | | |
| Contributions | \$ 264,631 | \$ 390,000 | \$ 654,631 |
| Memberships | 216,931 | - | 216,931 |
| Grant income | 266,121 | - | 266,121 |
| Special events, net of direct benefit expenses of \$25,688 | 284,677 | - | 284,677 |
| Investment loss, net | (404,923) | 1,002 | (403,921) |
| Fees, sales, and other revenue | 323,292 | - | 323,292 |
| Employee Retention Credit | 79,711 | - | 79,711 |
| Net assets released from restrictions - satisfaction of restrictions | 63,720 | (63,720) | - |
| Total support and revenue | <u>1,094,160</u> | <u>327,282</u> | <u>1,421,442</u> |
| Expenses | | | |
| Program services: | | | |
| Advocacy | 92,321 | - | 92,321 |
| Preservation in Print | 203,686 | - | 203,686 |
| Revival Grants | 143,935 | - | 143,935 |
| Educational Outreach/other | 343,130 | - | 343,130 |
| Total program services | <u>783,072</u> | <u>-</u> | <u>783,072</u> |

**Exhibit B-2
(Continued)**

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Totals</u> |
|-----------------------------|---|--|----------------------------|
| Expenses (Continued) | | | |
| Supporting services: | | | |
| General and administrative | 618,957 | - | 618,957 |
| Fundraising | 196,430 | - | 196,430 |
| Total supporting services | <u>815,387</u> | <u>-</u> | <u>815,387</u> |
| Total expenses | <u>1,598,459</u> | <u>-</u> | <u>1,598,459</u> |
| Changes in net assets | (504,299) | 327,282 | (177,017) |
| Net Assets | | | |
| Beginning of year | <u>6,951,786</u> | <u>976,695</u> | <u>7,928,481</u> |
| End of year, restated | <u><u>\$ 6,447,487</u></u> | <u><u>\$ 1,303,977</u></u> | <u><u>\$ 7,751,464</u></u> |

See notes to financial statements.

STATEMENT OF FUNCTIONAL EXPENSES

Preservation Alliance of New Orleans, Inc.
d/b/a Preservation Resource Center of New Orleans
New Orleans, Louisiana

For the year ended June 30, 2023

See Independent Accountant's Review Report

| | Program Activities | | | | Supporting Activities | | | Totals | |
|--|--------------------|--------------------------|-------------------|-------------------------------------|--------------------------------|-------------------------------|-------------------|-------------------|-----------------------------------|
| | Advocacy | Preservation in Print | Revival Grants | Education and Outreach /Other | Total Program Activities | General and Administrative | Fundraising | | Total Supporting Activities |
| Advertising and promotion | \$ - | \$ 175 | \$ - | \$ 13,087 | \$ 13,262 | \$ - | \$ 1,500 | \$ 1,500 | \$ 14,762 |
| Bad debt | - | 17,178 | - | - | 17,178 | - | - | - | 17,178 |
| Bank charges | 12 | 895 | - | 1,773 | 2,680 | 16,220 | 1,619 | 17,839 | 20,519 |
| Construction | - | - | 53,549 | 6,694 | 60,243 | - | - | - | 60,243 |
| Contract services | 121 | 3,700 | 936 | 12,718 | 17,475 | 28,639 | - | 28,639 | 46,114 |
| Depreciation | - | - | - | - | - | 90,360 | - | 90,360 | 90,360 |
| Employee benefits | 12,186 | 19,333 | 1,364 | 34,738 | 67,621 | 39,986 | 15,272 | 55,258 | 122,879 |
| Event and fundraising expenses | 583 | - | - | 39,214 | 39,797 | 682 | 65,179 | 65,861 | 105,658 |
| Insurance | - | - | - | 100 | 100 | 82,868 | - | 82,868 | 82,968 |
| Interest | - | - | - | - | - | 199 | - | 199 | 199 |
| Office expense | 1,617 | 5,281 | - | 10,810 | 17,708 | 18,602 | 2,791 | 21,393 | 39,101 |
| Postage and printing | 163 | 68,146 | 9 | 10,760 | 79,078 | 3,874 | 6,757 | 10,631 | 89,709 |
| Professional fees | - | - | - | 8,627 | 8,627 | 35,882 | - | 35,882 | 44,509 |
| Repairs and maintenance | - | - | - | - | - | 11,097 | - | 11,097 | 11,097 |
| Salaries | 84,987 | 130,723 | 17,129 | 239,143 | 471,982 | 267,016 | 150,591 | 417,607 | 889,589 |
| Technology expense | 775 | 656 | - | 2,663 | 4,094 | 31,432 | 19,947 | 51,379 | 55,473 |
| Travel expense | 1,647 | 3,321 | 16 | 51,218 | 56,202 | 2,344 | 73 | 2,417 | 58,619 |
| Utilities | 276 | 504 | - | 848 | 1,628 | 49,225 | 578 | 49,803 | 51,431 |
| Total expenses | 102,367 | 249,912 | 73,003 | 432,393 | 857,675 | 678,426 | 264,307 | 942,733 | 1,800,408 |
| Less special events direct benefit expenses | - | - | - | - | - | - | (48,415) | (48,415) | (48,415) |
| Total expenses less special event direct benefit expenses | \$ 102,367 | \$ 249,912 | \$ 73,003 | \$ 432,393 | \$ 857,675 | \$ 678,426 | \$ 215,892 | \$ 894,318 | \$ 1,751,993 |

See notes to financial statements.

STATEMENT OF FUNCTIONAL EXPENSES

Preservation Alliance of New Orleans, Inc.
d/b/a Preservation Resource Center of New Orleans
New Orleans, Louisiana

For the year ended June 30, 2022

See Independent Accountant's Review Report

| | Program Activities | | | | Supporting Activities | | | Totals | |
|--|--------------------|--------------------------|-------------------|-------------------------------------|--------------------------------|-------------------------------|-------------------|-------------------|-----------------------------------|
| | Advocacy | Preservation in Print | Revival Grants | Education and Outreach /Other | Total Program Activities | General and Administrative | Fundraising | | Total Supporting Activities |
| Advertising and promotion | \$ - | \$ - | \$ - | \$ 11,534 | \$ 11,534 | \$ 5,751 | \$ - | \$ 5,751 | \$ 17,285 |
| Bank charges | - | 1,355 | 30 | 1,201 | 2,586 | 28,858 | 1,811 | 30,669 | 33,255 |
| Construction | - | - | 96,886 | - | 96,886 | - | - | - | 96,886 |
| Contract services | - | 5,003 | - | 53,028 | 58,031 | 1,403 | - | 1,403 | 59,434 |
| Depreciation | - | - | - | - | - | 95,786 | - | 95,786 | 95,786 |
| Employee benefits | 2,586 | 10,967 | 3,540 | 26,227 | 43,320 | 47,248 | 9,813 | 57,061 | 100,381 |
| Event and fundraising expenses | - | 446 | - | 26,090 | 26,536 | 18,948 | 68,226 | 87,174 | 113,710 |
| Insurance | - | - | - | 100 | 100 | 58,126 | - | 58,126 | 58,226 |
| Interest | - | - | - | - | - | 282 | - | 282 | 282 |
| Office expense | 2,522 | 6,109 | 1,985 | 6,357 | 16,973 | 20,736 | 24 | 20,760 | 37,733 |
| Postage and printing | 23 | 70,213 | 29 | 4,086 | 74,351 | 5,228 | 7,535 | 12,763 | 87,114 |
| Professional fees | - | - | 469 | 922 | 1,391 | 38,225 | 49 | 38,274 | 39,665 |
| Repairs and maintenance | - | - | - | 13,262 | 13,262 | 10,427 | - | 10,427 | 23,689 |
| Salaries | 85,624 | 104,451 | 40,950 | 198,448 | 429,473 | 219,497 | 113,456 | 332,953 | 762,426 |
| Technology expense | - | - | - | 920 | 920 | 30,199 | 20,595 | 50,794 | 51,714 |
| Travel expense | 1,428 | 4,950 | 6 | 467 | 6,851 | 124 | 405 | 529 | 7,380 |
| Utilities | 138 | 192 | 40 | 488 | 858 | 38,119 | 204 | 38,323 | 39,181 |
| Total expenses | 92,321 | 203,686 | 143,935 | 343,130 | 783,072 | 618,957 | 222,118 | 841,075 | 1,624,147 |
| Less special events direct benefit expenses | - | - | - | - | - | - | (25,688) | (25,688) | (25,688) |
| Total expenses less special event direct benefit expenses | \$ 92,321 | \$ 203,686 | \$ 143,935 | \$ 343,130 | \$ 783,072 | \$ 618,957 | \$ 196,430 | \$ 815,387 | \$ 1,598,459 |

See notes to financial statements.

STATEMENTS OF CASH FLOWS

**Preservation Alliance of New Orleans, Inc.
d/b/a Preservation Resource Center of New Orleans
New Orleans, Louisiana**

For the years ended June 30, 2023 and 2022

See Independent Accountant's Review Report

| | <u>2023</u> | <u>2022</u> |
|---|------------------|--------------------|
| Cash Flows From Operating Activities | | |
| Changes in net assets | \$ (61,206) | \$ (177,017) |
| Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities: | | |
| Depreciation and amortization | 90,360 | 95,786 |
| Donation of investments | - | (2,242) |
| Realized and unrealized (gain) loss on investments | (317,495) | 532,164 |
| (Increase) decrease in operating assets: | | |
| Grants receivable | 4,055 | 2,342 |
| Unconditional promises to give | 9,500 | (6,000) |
| Employer Retention Credit receivable | 79,711 | (79,711) |
| Rebuilding Together receivable | 72,986 | 988 |
| Other receivables | 92 | (38,017) |
| Other asset | (5,377) | (1,807) |
| Prepaid expenses | (26,658) | (22,140) |
| Increase (decrease) in operating liabilities: | | |
| Accounts payable | (17,849) | (42,246) |
| Accrued vacations | 29,035 | 3,078 |
| | <u>(142,846)</u> | <u>265,178</u> |
| Cash Flows From Investing Activities | | |
| Proceeds from sales/maturities of investments | 658,181 | 568,697 |
| Purchases of investments | (842,471) | (1,637,979) |
| Purchases of property and equipment | (128,374) | - |
| | <u>(312,664)</u> | <u>(1,069,282)</u> |

**Exhibit D
(Continued)**

| | <u>2023</u> | <u>2022</u> |
|--|----------------------------|----------------------------|
| Cash Flows From Financing Activities | | |
| Proceeds from insurance notes payable | 101,933 | - |
| Payments on capital lease obligations | <u>(4,325)</u> | <u>(4,326)</u> |
| Net cash provided by (used in) financing activities | <u>97,608</u> | <u>(4,326)</u> |
| Net Decrease in Cash and Cash Equivalents | (357,902) | (808,430) |
| Cash and Cash Equivalents | | |
| Beginning of year | <u>2,280,712</u> | <u>3,089,142</u> |
| End of year | <u><u>\$ 1,922,810</u></u> | <u><u>\$ 2,280,712</u></u> |
| Supplemental Disclosures of Cash Flow Information | | |
| Interest paid | <u><u>\$ 199</u></u> | <u><u>\$ 282</u></u> |

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS**Preservation Alliance of New Orleans, Inc.
d/b/a Preservation Resource Center of New Orleans
New Orleans, Louisiana**

June 30, 2023 and 2022

Note 1 - NATURE OF ACTIVITIES

Founded in 1974, Preservation Alliance of New Orleans, Inc. d/b/a Preservation Resource Center of New Orleans (PRC) is a nonprofit organization, which preserves and enhances targeted historical neighborhoods of New Orleans through community revitalization projects.

The following programs and supporting services are included in the accompanying financial statements:

Preservation

The Preservation Program encompasses PRC's various general activities related to promoting the preservation of historic properties and districts, including advocacy before regulatory authorities, public awareness efforts, and development of preservation plans for specific properties and districts, and related activities. This program is funded wholly by contributions from PRC's donors.

Preservation in Print

Preservation in Print fosters knowledge, stimulates interest, and facilitates participation in public and private historic preservation through the printing and publication of PRC's quarterly newsletter. This program is funded by a combination of contributions from advertising revenues and government grants.

Revival Grants

The Revival Grants Program provides free home repairs and technical assistance to low-to-moderate income homeowners in New Orleans' historic districts to help them age safely in their homes and build generational wealth. This program is entirely funded with funds from private foundations and bank funds.

Note 1 - NATURE OF ACTIVITIES (Continued)

Education and Outreach

Education and Outreach focuses on outreach programs - workshops, lectures, tours, print and electronic information - regarding building acquisition and restoration, cultural heritage, historic architecture and neighborhoods, preservation programs and incentives, with a focus on African American Heritage (AAH). AAH focuses on the identification and preservation of the homes and significant structures frequented by New Orleans' early jazz musicians. AAH's main purpose is to research, identify, and landmark these homes and other structures.

Advocacy

The PRC proposes and supports legislation favorable to historic preservation and works to prevent the passage of legislation and proposals that are detrimental to the preservation of our historic architecture and neighborhoods. The PRC gets involved in issues addressed in *Preservation in Print* as well as those raised by neighborhood associations, the City Council, the City Planning Commission, the Historic District Landmarks Commission, the Board of Zoning Adjustment, the State Legislature, and the U.S. Congress.

General and Administrative

Management and general supporting services include the functions necessary to maintain an equitable employment program; ensure an adequate working environment; provide coordination and articulation of PRC's program strategy; secure proper administrative functioning of the board of directors; maintain competent legal services for the program administration of PRC; and manage the financial and budgetary responsibilities of PRC.

Fundraising

Fundraising provides the structure necessary to encourage and secure private financial support from individuals, foundations, and corporations.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Organization and Income Taxes

PRC is a nonprofit organization organized under the laws of the State of Louisiana and is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code (IRC) and qualifies as an organization that is not a private foundation as defined in Section 509(a) of the IRC.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Organization and Income Taxes (Continued)

Accounting standards provide detailed guidance for financial statement recognition, measurement, and disclosure of uncertain tax positions recognized in an entity's financial statements. It requires an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will not be sustained upon examination. As of June 30, 2023, management believes PRC has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. PRC recognizes interest and penalties, if any, related to unrecognized tax benefits in interest expense. Tax years ended June 30, 2020 and later remain subject to examination by the taxing authorities.

b. Basis of Accounting

The financial statements of the PRC are prepared on the accrual basis of accounting. Under this method, revenues are recognized when earned, and expenses are recorded when incurred.

c. Use of Estimates

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

d. Basis of Presentation

Net assets, revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of PRC and changes therein are classified and reported as:

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed stipulations.

Net Assets with Donor Restrictions - Net assets subject to donor-imposed stipulations that may or will be met either by actions of PRC and/or the passage of time or net assets subject to donor-imposed stipulations that are to be held in perpetuity by PRC.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Cash and Cash Equivalents

For the purposes of the Statements of Cash Flows, PRC considers all highly liquid financial instruments purchased with an original maturity of three months or less to be cash equivalents. PRC's cash and cash equivalents as of June 30, 2023 and 2022 included \$1,625,254 and \$1,614,479, respectively, of investments in U.S. Treasury money market funds.

If the grantor makes it a requirement, PRC deposits restricted grant monies into a designated account. There were no restricted deposits as of June 30, 2023 and 2022.

f. Promises to Give

Contributions are recognized when the donor makes a promise to give to PRC that is, in substance, unconditional. Conditional promises to give are recognized when the conditions on which they depend are substantially met. There were no conditional promises to give as of June 30, 2023 and 2022.

Unconditional promises are recorded net of an allowance for uncollectible amounts estimated by the management of PRC. All pledges are deemed fully collectible as of June 30, 2023 and 2022.

g. Employee Retention Credit Receivable

During the year ended June 30, 2022, PRC applied for and subsequently qualified for the Employee Retention Credit. The credit provided tax relief due to lost revenue during 2020 and 2021 resulting from COVID-19. PRC recorded a receivable of \$79,711 as of June 20, 2022 for the credit and the balance was subsequently received during the year ended June 30, 2023.

h. Other Receivables and Grant Receivables

Other receivables and grant receivables are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of the individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Allowance for Doubtful Accounts

The allowance for doubtful accounts is estimated based on existing economic conditions. Management closely monitors outstanding receivables and charges off to expense any balances that are determined to be uncollectible and establishes an allowance for estimated uncollectible receivables. There was no allowance as of June 30, 2023 and 2022.

j. Investments

Investments in common stock, corporate obligations and real estate investment trusts are stated at fair value, based on quoted market prices for the investments.

Donated investments are valued at the current market value at the date of donation.

k. Property and Equipment

Property and equipment are recorded at cost. Donated assets are recorded at fair value at the date of donation. PRC capitalizes all expenditures for equipment in excess of \$1,000. Repairs and maintenance are charged to expense as incurred; major renewals, replacements, and betterments are capitalized. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets (5 to 25 years). Depreciation expense was \$90,360 and \$95,786 for the years ended June 30, 2023 and 2022, respectively.

l. Revenue Recognition

Revenue from Exchange Transactions: PRC recognizes revenue in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2014-09, “*Revenues from Contracts with Customers*” (Topic 606), as amended. ASU No. 2014-09 applies to exchange transactions with customers and donors that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. PRC records the following exchange transaction revenue in its Statements of Activities for the years ended June 30, 2023 and 2022:

Membership Revenue

Membership dues are billed and payable in the applicable membership period. This obligation is satisfied over the annual membership period by providing member benefits. Therefore, membership revenue is recognized on an annual basis.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Revenue Recognition (Continued)

Special Events

PRC conducts fundraisers in which a portion of the gross proceeds paid by the participant represents payment for the direct cost of the benefit received by the participant of the event, the exchange component, and a portion represents a contribution to PRC. The fair value of meals, entertainment, and benefits provided by the event is measured at the actual cost to PRC. The contribution component is the excess of the gross proceeds over the fair value of the direct donor benefit. The direct costs, which ultimately benefit the donor rather than PRC, are recorded as fundraising expenses in the Statements of Activities. The performance obligation is the event. FASB ASU No. 2014-09 requires allocation of the transaction price to the performance obligation. Accordingly, PRC separately presents in Note 13 the exchange and contribution components of the gross proceeds from special events.

Fees, Sales, and Other Revenue

Fees, sales and other revenue is primarily composed of advertising revenue. Advertising revenue is primarily derived from customer advertisements in the magazine, "*Preservation in Print*". Advertising rates are primarily determined by the size of the advertisement and volume of advertisements. PRC recognizes revenue when the magazine is circulated.

m. Contributions and Grants

Contributions and grants received are recorded as unrestricted or restricted support, depending on the existence or nature of any donor or grantor restrictions.

Support that is restricted by a donor or grantor is reported as an increase in restricted net asset. When a restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), restricted net assets are reclassified to net assets without donor restrictions and reported in the Statements of Activities as net assets released from restrictions. Restricted contributions or grants whose restrictions are met in the same reporting periods are reported as support without donor restrictions.

Non-cash donations are recorded as contributions at their estimated fair values at the date of donation.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Donated Services

Donated services have not been reflected in the financial statements since no objective basis is available to measure the value of such services. There were no significant volunteer services received with an objective basis for measurement for the years ended June 30, 2023 and 2022.

o. Method Used for Allocation of Expenses

Most of the expenses can be directly allocated to programs or supporting functions. The financial statements also report certain categories of expenses that are attributable to both programs and supporting functions. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. PRC allocates insurance, office expense, professional fees, utilities, and other expenses based on management's estimate of use by each program and supporting function. Salaries and employee benefits are allocated based on management's estimate of effort by each program and supporting function.

p. Advertising and Promotion

PRC expenses advertising costs as incurred. During the years ended June 30, 2023 and 2022, PRC's advertising costs charged to expense were \$14,812 and \$17,285, respectively.

q. Recently Issued Accounting Standards

Leases

In February 2016, the FASB issued ASU No. 2016-02, "*Leases*" (Topic 842). ASU No. 2016-02 requires that a lease liability and related right-of-use asset representing the lessee's right to use or control the asset be recorded on the Statement of Financial Position upon the commencement of all leases except for short-term leases. Leases will be classified as either finance leases or operating leases, which are substantially similar to the classification criteria for distinguishing between capital leases and operating in existing lease accounting guidance. As a result, the effect of leases in the Statements of Activities and the Statements of Cash Flows will be substantially unchanged from the existing lease accounting guidance. The adoption of this standard did not have a material effect on the financial statements.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

q. Recently Issued Accounting Standards (Continued)

Lease Discount Rate

In November 2021, the FASB issues ASU No. 2021-09, “Leases” (Topic 842) “*Lease Discount Rate for Lessees That Are Not Public Business Entities*” currently provides lessees that are not public business entities with a practical expedient that allows them to elect, as an accounting policy, to use a risk-free rate as the discount rate for all leases. The amendments in this update allow those lessees to make the risk-free rate election by class of underlying asset, rather than at the entity-wide level. An entity that makes the risk-free rate election is required to disclose which asset classes it has elected to apply a risk-free rate. The amendments require that when the rate implicit in the lease is readily determinable for any individual lease, the lessee uses that rate (rather than a risk-free rate or an incremental borrowing rate), regardless of whether it has made the risk-free rate election. The adoption of this standard did not have a material effect on the financial statements.

r. Subsequent Events

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through December 8, 2023, which is the date the financial statements were available to be issued.

Note 3 - CONCENTRATIONS

PRC maintains deposits with local financial institutions. Accounts at these institutions are insured by the U.S. Federal Deposit Insurance Corporation up to \$250,000 per account. The balances at times may exceed federally insured limits. As of June 30, 2023, uninsured cash and cash equivalent balances were approximately \$33,000.

Note 4 - UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give as of June 30, 2023 and 2022 are as follows:

| | 2023 | 2022 |
|--|----------|-----------|
| Receivable in less than one year | \$ 2,500 | \$ 12,000 |
| Less allowance for uncollectible account | - | - |
| Pledges receivable, net | \$ 2,500 | \$ 12,000 |

Note 5 - INVESTMENTS

Investments consist of the following as of June 30, 2023 and 2022:

| | 2023 | 2022 |
|------------------------------|--------------|--------------|
| Common stock | \$ 3,102,742 | \$ 2,550,880 |
| Corporate obligations | 2,154,999 | 2,194,700 |
| Real estate investment trust | 73,243 | 83,619 |
| Totals | \$ 5,330,984 | \$ 4,829,199 |

Net investment income (loss) for the years ended June 30, 2023 and 2022 is comprised of the following:

| | 2023 | 2022 |
|---------------------------------------|------------|--------------|
| Interest and dividends | \$ 189,071 | \$ 165,324 |
| Realized loss on investments | (24,231) | (23,339) |
| Unrealized gain (loss) on investments | 341,726 | (508,825) |
| Investment fees | (28,559) | (37,081) |
| Totals | \$ 478,007 | \$ (403,921) |

Note 6 - FAIR VALUE MEASUREMENTS

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

Note 6 - FAIR VALUE MEASUREMENTS (Continued)

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

Level 2 - Inputs to the valuation methodology include:

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

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

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

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

Common stocks and corporate obligations: Valued at the closing price reported on the active market on which the investments are traded.

Real estate investment trust: Valued at net asset value (NAV). The funds held by PRC are deemed to be actively traded.

These methodologies may produce fair value calculations that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while PRC believes these valuation methodologies are appropriate and consistent with those of other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Note 6 - FAIR VALUE MEASUREMENTS (Continued)

Assets and liabilities measured at fair value on a recurring basis as of June 30, 2023 and 2022 are comprised of and determined, as follows:

| | 2023 | | | Totals |
|------------------------------|--|--|-------------------------------------|---------------------|
| | Quoted Prices In Active Markets (Level 1) | Other Observable Inputs (Level 2) | Unobservable Inputs (Level 3) | |
| Common stock | \$ 3,102,742 | \$ - | \$ - | \$ 3,102,742 |
| Corporate obligations | 2,154,999 | - | - | 2,154,999 |
| Real estate investment trust | 73,243 | - | - | 73,243 |
| Investments at fair value | <u>\$ 5,330,984</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 5,330,984</u> |
| | 2022 | | | |
| | Quoted Prices In Active Markets (Level 1) | Other Observable Inputs (Level 2) | Unobservable Inputs (Level 3) | Totals |
| Common stock | \$ 2,550,880 | \$ - | \$ - | \$ 2,550,880 |
| Corporate obligations | 2,194,700 | - | - | 2,194,700 |
| Real estate investment trust | 83,619 | - | - | 83,619 |
| Investments at fair value | <u>\$ 4,829,199</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 4,829,199</u> |

Note 7 - PROPERTY AND EQUIPMENT

Property and equipment is comprised of the following as of June 30, 2023 and 2022:

| | 2023 | 2022 |
|---|-------------------|-------------------|
| Buildings and improvements | \$ 1,912,023 | \$ 1,900,442 |
| Office furniture and equipment | 302,939 | 245,330 |
| Construction in progress | 59,185 | - |
| | 2,274,147 | 2,145,772 |
| Less: accumulated depreciation and amortization | (1,877,350) | (1,786,989) |
| | <u>\$ 396,797</u> | <u>\$ 358,783</u> |

Note 8 - FINANCE LEASE OBLIGATIONS

In July 2018, PRC acquired equipment purchased under capital leases for \$20,330. The equipment is included in property and equipment in the accompanying Statements of Financial Position, and the related amortization is included in accumulated depreciation and depreciation expense.

The net book value as of June 30, 2022 was \$4,200.

Interest expense on the lease obligation totaled \$199 and \$282 for the years ended June 30, 2023 and 2022, respectively.

There are no future payments due under this lease.

Note 9 - INSURANCE NOTE PAYABLE

During 2023, PRC executed a note to finance insurance premiums. The total amount financed was \$101,933 with an interest rate of 8.5%. As of June 30, 2023, the outstanding balance of the note was \$101,933. Scheduled future maturities of the note as of June 30, 2023 are as follows:

| <u>Year ending June 30,</u> | |
|---------------------------------|-------------------|
| 2024 | <u>\$ 101,933</u> |

Note 10 - DESIGNATED FUNDS

PRC's board of directors designates certain funds to be used for specified purposes. The following designated funds have been established as of June 30, 2023 and 2022:

| <u>Fund</u> | <u>Purpose</u> | <u>2023</u> | <u>2022</u> |
|------------------------|----------------------|---------------------|---------------------|
| Quasi-endowment fund | Quasi-endowment | \$ 3,321,876 | \$ 3,070,723 |
| Easement donation fund | Easement maintenance | <u>1,026,498</u> | <u>1,026,498</u> |
| | | <u>\$ 4,348,374</u> | <u>\$ 4,097,221</u> |

These funds are primarily included in cash and cash equivalents and investments in the accompanying Statements of Financial Position.

Note 11 - RESTRICTED NET ASSETS

Net assets with donor restrictions are assets restricted by donors and grantors for specific purposes or are available for subsequent periods. These restrictions are considered to expire when payments for restricted purposes are made.

Net assets with donor restrictions as of June 30, 2023 and 2022 are available for the following purpose:

| | 2023 | 2022 |
|------------------------------------|--------------|--------------|
| Restricted for a specific purpose: | | |
| Easements | \$ 1,359,697 | \$ 1,259,697 |
| Mortgage support | 30,000 | 30,000 |
| Administration building | 3,183 | 14,280 |
| Totals | \$1,392,880 | \$1,303,977 |

Net assets released from restrictions for the years ended June 30, 2023 and 2022 are as follows:

| | 2023 | 2022 |
|---------------------------------|-----------|-----------|
| Purpose restrictions satisfied: | | |
| Construction and repairs | \$ 11,097 | \$ 53,000 |
| Administration building | - | 5,720 |
| Advocacy | - | 5,000 |
| Totals | \$ 11,097 | \$ 63,720 |

Note 12 - GOVERNMENT GRANTS

Government grants require the fulfillment of certain conditions as set forth in the grant instruments. PRC intends to fulfill the conditions of all grants, recognizing that failure to fulfill the conditions could result in the return of the funds to grantors.

Note 13 - SPECIAL EVENT REVENUE

Gross receipts from special fundraising events recorded by PRC consists of exchange transaction revenue and contribution revenue. The components of revenue for the years ended June 30, 2023 and 2022 are as follows:

| | 2023 | 2022 |
|------------------------------------|------------|------------|
| Contributions and sponsorships | \$ 166,860 | \$ 173,625 |
| Ticket sales | 191,630 | 124,795 |
| Auction and raffle | 29,761 | 11,945 |
| Special events - gross | 388,251 | 310,365 |
| Less: cost of direct donor benefit | (48,415) | (25,688) |
| Special events - net | \$339,836 | \$284,677 |

Note 14 - RENTAL INCOME UNDER OPERATING LEASES

PRC maintained an agreement to lease portions of its office building. The lease was \$3,500 per month from August 1, 2021 through July 31, 2022 and \$3,750 through June 30, 2023. The lease was terminated effective July 1, 2023.

PRC maintains an agreement to lease portions of its office building. The lease is \$4,800 per month from July 1, 2023 through June 30, 2025. The lease has several renewal options, and the lease can be terminated by the lessor after completion of the initial term. The future minimum rentals under the operating lease as of June 30, 2022 are as follows:

| Year Ending June 30, | |
|-------------------------|------------|
| 2024 | \$ 57,600 |
| 2025 | 57,600 |
| Total | \$ 115,200 |

For both of the years ended June 30, 2023 and 2022, income from the lease totaled \$38,500. For the years ended June 30, 2023 and 2022 other rental income totaled \$9,050 and \$7,525, respectively. Rental income is included in fees, sales and other revenue on the Statements of Activities.

Note 15 - RETIREMENT PLAN

PRC offered a defined contribution 403(b) plan to all employees who were at least 21 years of age. Participants were allowed to contribute up to a maximum of 15% of their total compensation. In March 2019, PRC offered a newly established 401(k) plan to participants with options of transferring funds from the 403(b) plan. Under the new plan, participants may contribute, by salary reduction pursuant to Section 401(k) of the Internal Revenue Code, up to 100% of pretax annual compensation, as defined in the plan, not to exceed statutory limits.

Additionally, PRC provides a simplified employee plan (the “Plan”) to its employees. The Plan provides, to all employees who have been with PRC for a minimum of three years, an annual contribution to an Individual Retirement Account (IRA) equal to 2% of the employees’ current gross eligible compensation. Contributions to the Plan totaled \$11,867 and \$12,405 for the years ended June 30, 2023 and 2022, respectively.

Note 16 - CONSERVATION EASEMENTS

PRC holds conservation easements placed on various properties. As of June 30, 2023 and 2022, 140 and 138 of such easements were held, respectively. No value has been assigned to these easements in the financial statements because PRC does not have ownership rights to the underlying property.

Note 17 - COOPERATIVE ENDEAVOR AGREEMENT

Rebuilding Together was a program within PRC since 1988. In 2018, the PRC’s Board of Directors passed a strategic plan that called for the separation of Rebuilding Together from PRC to become its own separate 501(c)(3) organization, Rebuilding Together New Orleans, Inc. On December 20, 2019, Rebuilding Together entered into a Cooperative Endeavor Agreement (CEA) with PRC which set forth the terms of the separation with the goal of being wholly separated by December 31, 2019. On December 21, 2019, PRC made a contribution of \$407,915 to Rebuilding Together New Orleans, Inc. (\$273,095 of net book value of property, \$319,897 of cash less \$73,974 balance due from Rebuilding Together New Orleans, Inc. and \$111,103 of liabilities assumed by Rebuilding Together New Orleans, Inc.). The balance due from Rebuilding Together New Orleans, Inc. was \$73,974 as of June 30, 2022. There is no balance due from Rebuilding Together New Orleans, Inc as of June 30, 2023.

Note 18 - RISKS AND UNCERTAINTIES

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

Note 19 - AVAILABILITY OF FINANCIAL ASSETS

PRC is substantially supported by contributions and grants with and without donor restrictions, special events, and profits from sales of real estate. Because a donor's restrictions requires resources to be used in a particular manner or in a future period, PRC must maintain sufficient resources to meet those responsibilities to donors. Thus, financial assets may not be available for general expenditure within one year. As part of PRC's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. PRC has established guidelines for making decisions related to managing short-term cash reserves in a prudent manner.

PRC may designate a portion of or any operating surplus for a particular purpose. The board-designated reserves can be changed and made available for immediate use in the event of an urgent liquidity need.

The following reflects PRC's financial assets as of June 30, 2023 and 2022, reduced by amounts not available for general use because of donor-imposed restrictions.

| | 2023 | 2022 |
|---|--------------|--------------|
| Financial assets: | | |
| Cash and cash equivalents | \$ 1,922,810 | \$ 2,280,712 |
| Grants receivable | 15,447 | 19,502 |
| Unconditional promises to give | 2,500 | 12,000 |
| Employee Retention Credit receivable | - | 79,711 |
| Rebuilding Together receivable | - | 72,986 |
| Other receivables | 60,778 | 60,870 |
| Investments | 5,330,984 | 4,829,199 |
| Total financial assets | 7,332,519 | 7,354,980 |
| Less amounts unavailable for general expenditures within one year, due to: | | |
| Donor imposed restrictions: | | |
| Restricted by donors with purpose restrictions | (1,392,880) | (1,303,977) |
| Financial assets available to meet cash needs for general expenditure within one year before governing board designations | 5,939,639 | 6,051,003 |
| Less: Governing board designations | (4,348,374) | (4,097,221) |
| Financial assets available to meet cash needs for general expenditures within one year | \$ 1,591,265 | \$ 1,953,782 |

SUPPLEMENTAL INFORMATION

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

**Preservation Alliance of New Orleans, Inc.
d/b/a Preservation Resource Center of New Orleans
New Orleans, Louisiana**

For the year ended June 30, 2023

Agency Head Name: Danielle Del Sol, Executive Director

Purpose

| | |
|--|-------------|
| Salary | \$ 0 |
| Benefits - insurance | 0 |
| Benefits - retirement | 0 |
| Benefits - other | 0 |
| Car allowance | 0 |
| Vehicle provided by government | 0 |
| Per diem | 0 |
| Reimbursements | 0 |
| Travel | 0 |
| Registration fees | 0 |
| Conference travel | 0 |
| Continuing professional education fees | 0 |
| Housing | 0 |
| Unvouchered expenses | 0 |
| Special meals | 0 |
| | <hr/> |
| | <u>\$ 0</u> |

Note: No public funds were used to pay Ms. Del Sol's salary, benefits, or any other compensation during the year ended June 30, 2023.

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANT

SCHEDULE OF FINDINGS AND RESPONSES

**Preservation Alliance of New Orleans, Inc.
d/b/a Preservation Resource Center of New Orleans
New Orleans, Louisiana**

For the year ended June 30, 2023

Section I - Summary of Auditor's Results

a) Financial Statements

A standard review report was issued.

Internal control over financial reporting:

Noncompliance material to financial statements noted? ___ Yes X No

b) Federal Awards

PRC did not expend federal awards in excess of \$750,000 during the year ended June 30, 2023 and, therefore, is exempt from the audit requirements under the Uniform Guidance.

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

Internal Control Over Financial Reporting

No material weaknesses were reported during the audit of the financial statements for the year ended June 30, 2023.

Compliance and Other Matters

No significant deficiencies were reported during the audit of the financial statements for the year ended June 30, 2023.

Section III - Federal Award Findings and Questioned Costs

Internal Control and Compliance Material to Federal Awards

PRC did not expend federal awards in excess of \$750,000 during the year ended June 30, 2023 and therefore is exempt from the audit requirements under the Uniform Guidance.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES

**Preservation Alliance of New Orleans, Inc.
d/b/a Preservation Resource Center of New Orleans
New Orleans, Louisiana**

For the year ended June 30, 2023

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

Internal Control Over Financial Reporting

No material weaknesses were reported during the audit of the financial statements for the year ended June 30, 2022.

No significant deficiencies were reported during the audit of the financial statements for the year ended June 30, 2022.

Compliance and Other Matters

There were no compliance findings material to the financial statements reported during the audit for the year ended June 30, 2022.

Section II - Internal Control and Compliance Material to Federal Awards

There were no findings or questioned costs reported during the audit of the financial statements for the year ended June 30, 2022 related to internal control and compliance material to federal awards.

Section III - Management Letter

A management letter was not issued in connection with the audit for the year ended June 30, 2022.

MANAGEMENT'S CORRECTIVE ACTION PLAN

**Preservation Alliance of New Orleans, Inc.
d/b/a Preservation Resource Center of New Orleans
New Orleans, Louisiana**

For the year ended June 30, 2023

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

Internal Control Over Financial Reporting

No material weaknesses were reported during the audit of the financial statements for the year ended June 30, 2023.

No significant deficiencies were reported during the audit of the financial statements for the year ended June 30, 2023.

Compliance and Other Matters

There were no compliance findings material to the financial statements reported during the audit for the year ended June 30, 2023.

Section II - Internal Control and Compliance Material to Federal Awards

PRC did not expend more \$750,000 in Federal awards during the year ended June 30, 2023, and therefore, is exempt from the audit requirements under the Uniform Guidance.

Section III - Management Letter

A management letter was not issued in connection with the audit for the year ended June 30, 2023.