

**NEW ORLEANS VIDEO ACCESS CENTER, INC.**

FINANCIAL STATEMENTS

December 31, 2023 and 2022



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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
New Orleans Video Access Center, Inc.  
New Orleans, Louisiana

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of New Orleans Video Access Center, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of New Orleans Video Access Center, Inc. as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are issued or 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of New Orleans Video Access Center, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about New Orleans Video Access Center, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

### ***Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Summary of Compensation, Benefits and Other Payments to Agency Head is presented for purposes of additional analysis and is not a required part of the financial statements. The Summary of Compensation, Benefits and Other Payments to Agency Head is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated July 1, 2024 on our consideration of New Orleans Video Access Center, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of New Orleans Video Access Center, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering New Orleans Video Access Center, Inc.'s internal control over financial reporting and compliance.

Metairie, Louisiana  
July 1, 2024

*Wegmann Bazet, A.P.C.*

NEW ORLEANS VIDEO ACCESS CENTER, INC.  
STATEMENTS OF FINANCIAL POSITION

December 31, 2023 and 2022

	2023	2022
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 17,420	\$ 99,503
Grants receivable	53,948	20,569
Prepaid expenses	8,550	5,764
Total current assets	79,918	125,836
Endowment fund - investments	21,322	18,910
Operating lease right-of-use asset, less amortization	43,829	84,386
Deposits	2,687	2,687
Total assets	\$ 147,756	\$ 231,819
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	\$ 29,129	\$ 12,015
Current portion of operating lease liability	44,848	40,555
Total current liabilities	73,977	52,570
Operating lease liability, less current portion	-	44,848
Total liabilities	73,977	97,418
<b>NET ASSETS</b>		
Net assets		
Without donor restrictions	52,457	99,241
With donor restrictions		
Purpose restriction	-	16,250
Perpetual in nature	21,322	18,910
Total net assets	73,779	134,401
Total liabilities and net assets	\$ 147,756	\$ 231,819

See accompanying Notes to Financial Statements.

NEW ORLEANS VIDEO ACCESS CENTER, INC.  
STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues			
Program fees	\$ 554,353	\$ -	\$ 554,353
Grants	85,754	44,727	130,481
Membership dues	2,860	-	2,860
Contributions	45,510	-	45,510
Sponsorship	97,960	-	97,960
Net investment income	-	2,412	2,412
Miscellaneous	177	-	177
Net assets released from restrictions	60,977	(60,977)	-
Total revenue	847,591	(13,838)	833,753
Expenses			
Program services			
Community Media Services	333,701	-	333,701
Workforce Development	189,552	-	189,552
Youth Media Education	104,169	-	104,169
Supporting services			
Management and general	266,953	-	266,953
Total expenses	894,375	-	894,375
Change in net assets	(46,784)	(13,838)	(60,622)
Net assets			
Beginning of year	99,241	35,160	134,401
End of year	\$ 52,457	\$ 21,322	\$ 73,779

See accompanying Notes to Financial Statements.

NEW ORLEANS VIDEO ACCESS CENTER, INC.  
STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues			
Program fees	\$ 327,656	\$ -	\$ 327,656
Grants	61,272	127,908	189,180
Membership dues	3,587	-	3,587
Contributions	144,764	-	144,764
Sponsorship	122,478	-	122,478
Net investment loss	-	(2,631)	(2,631)
Miscellaneous	2,261	-	2,261
Net assets released from restrictions	111,658	(111,658)	-
Total revenue	773,676	13,619	787,295
Expenses			
Program services			
Community Media Services	329,695	-	329,695
Workforce Development	159,380	-	159,380
Youth Media Education	74,102	-	74,102
Supporting services			
Fundraising	154	-	154
Management and general	249,131	-	249,131
Total expenses	812,462	-	812,462
Change in net assets	(38,786)	13,619	(25,167)
Net assets			
Beginning of year	138,027	21,541	159,568
End of year	\$ 99,241	\$ 35,160	\$ 134,401

See accompanying Notes to Financial Statements.



## NEW ORLEANS VIDEO ACCESS CENTER, INC.

## STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2023

	Program Services				Supporting Services	Total Expenses
	Community Media Services	Workforce Development	Youth Media Services	Total Program Expenses	Management and General	
Audit costs	\$ -	\$ -	\$ -	\$ -	\$ 13,048	\$ 13,048
Bank service charge	276	-	-	276	379	655
Dues and subscriptions	-	-	-	-	1,441	1,441
Equipment	354	-	-	354	900	1,254
Fiscal sponsorship	91,830	-	-	91,830	-	91,830
Insurance	-	-	-	-	6,802	6,802
Licenses and permits	-	-	-	-	10	10
Meals and entertainment	4,223	2,183	435	6,841	305	7,146
Office supplies	500	260	-	760	1,246	2,006
Other expense	-	-	-	-	44	44
Postage and delivery	34	-	-	34	168	202
Printing and reproduction	-	-	-	-	1,019	1,019
Professional services	78,873	44,791	42,404	166,068	21,572	187,640
Rent expense	228	4,600	-	4,828	50,633	55,461
Repairs and maintenance	-	-	-	-	389	389
Software	2,928	3,377	16,857	23,162	1,470	24,632
Supplies other	2,214	7,729	196	10,139	-	10,139
Travel	4,316	4,899	1,028	10,243	7,567	17,810
Utilities	-	-	-	-	8,899	8,899
Wages and payroll expenses	147,925	121,713	43,249	312,887	151,061	463,948
Total expenses	\$ 333,701	\$ 189,552	\$ 104,169	\$ 627,422	\$ 266,953	\$ 894,375

See accompanying Notes to Financial Statements.

## NEW ORLEANS VIDEO ACCESS CENTER, INC.

## STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2022

	Program Services				Supporting Services		Total Expenses
	Community Media	Workforce Development	Youth Media Services	Total Program Expenses	Fundraising	Management and General	
Advertising	\$ 9	\$ -	\$ -	\$ 9	\$ -	\$ 18	\$ 27
Audit costs	-	-	-	-	-	6,142	6,142
Bad debt expense	5,000	-	-	5,000	-	-	5,000
Bank service charge	334	-	-	334	-	138	472
Dues and subscriptions	16	-	-	16	-	1,289	1,305
Equipment	4,633	-	-	4,633	142	300	5,075
Fiscal sponsorship	115,129	-	-	115,129	-	-	115,129
Insurance	1,440	-	-	1,440	-	3,810	5,250
Licenses and permits	-	-	-	-	-	40	40
Meals and entertainment	5,503	139	190	5,832	-	-	5,832
Office supplies	932	169	-	1,101	12	5,020	6,133
Other expense	-	-	-	-	-	3,458	3,458
Postage and delivery	-	-	-	-	-	171	171
Printing and reproduction	-	747	-	747	-	967	1,714
Professional services	60,279	41,618	12,303	114,200	-	57,146	171,346
Rent expense	450	6,395	-	6,845	-	54,121	60,966
Software	3,856	3,388	15,808	23,052	-	1,066	24,118
Supplies other	3,234	2,078	1,255	6,567	-	-	6,567
Travel	566	752	188	1,506	-	15,769	17,275
Utilities	-	-	-	-	-	8,511	8,511
Wages and payroll expenses	128,314	104,094	44,358	276,766	-	91,165	367,931
Total expenses	<u>\$ 329,695</u>	<u>\$ 159,380</u>	<u>\$ 74,102</u>	<u>\$ 563,177</u>	<u>\$ 154</u>	<u>\$ 249,131</u>	<u>\$ 812,462</u>

See accompanying Notes to Financial Statements.

NEW ORLEANS VIDEO ACCESS CENTER, INC.  
STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2023 and 2022

	2023	2022
Cash flows from operating activities:		
Change in net assets	\$ (60,622)	\$ (25,167)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Operating lease asset amortization	40,557	1,017
Net (gain) loss on investments	(2,412)	2,631
(Increase) decrease in operating assets:		
Grants receivable	(33,379)	7,348
Prepaid expenses	(2,786)	2,037
Deposits	-	3,725
Increase (decrease) in operating liabilities:		
Accounts payable	17,114	(878)
Operating lease liability	(40,555)	-
Net cash used provided by operating activities	<u>(82,083)</u>	<u>(9,287)</u>
Net decrease in cash and cash equivalents	(82,083)	(9,287)
Cash and cash equivalents at beginning of year	<u>99,503</u>	<u>108,790</u>
Cash and cash equivalents at end of year	<u>\$ 17,420</u>	<u>\$ 99,503</u>

See accompanying Notes to Financial Statements.

NEW ORLEANS VIDEO ACCESS CENTER, INC.  
NOTES TO FINANCIAL STATEMENTS  
For the Years Ended December 31, 2023 and 2022

1) Nature of activities

New Orleans Video Access Center, Inc. (the “Organization”) is a non-profit organization established in 1972 to cultivate a sustainable film community by providing access to resources, education and locally generated content. The Organization provides services to the community in the form of education, career development, community outreach, independent media productions and special events.

2) Summary of significant accounting policies

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

a) Financial statement presentation

The Organization’s policy is to prepare its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as promulgated by the Financial Accounting Standards Board (FASB).

b) Cash and cash equivalents

All cash-related items having a maturity 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) Accounts receivable

Accounts receivable are stated at the amount the Organization expects to collect. The Organization writes off uncollectible accounts as they are identified. No allowance for uncollectible accounts has been provided, as management has evaluated the accounts and believes they are all collectible.

d) Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent 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.

e) Property and equipment

Property and equipment are carried at cost when purchased. Depreciation of property is provided over the estimated useful lives of the assets using the straight-line method. Repairs and maintenance are expensed as incurred. Expenditures that increase the value or productive capacity of assets are capitalized. When property and equipment are retired, sold, or otherwise disposed of, the assets carrying amount and related accumulated depreciation are removed from the accounts and any gain or loss is included in operations. The estimated useful lives of depreciable assets are:

	<u>Useful lives</u>
Video equipment	5 years
Computers	3 years

f) Grants receivable

Grants receivable represents amounts due from foundations and other organizations. The Organization receives grant funding from various agencies for administering various programs. The Organization writes off credit losses as they are identified. No allowance for uncollectible accounts has been provided, as management has evaluated the accounts and believes they are all collectible.

NEW ORLEANS VIDEO ACCESS CENTER, INC.  
NOTES TO FINANCIAL STATEMENTS  
For the Years Ended December 31, 2023 and 2022

2) Summary of significant accounting policies (continued)

g) Description of net assets classification

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Financial Statements for Not-for-Profit Entities*, requires the net assets and changes in net assets be reported for two classifications – with donor restrictions and without donor restrictions based on the existence or absence of donor imposed restrictions.

The Organization reports gifts of cash and other assets as restricted support if they are received with donor imposed restrictions or requirements that limit the use of the donation. A donor restriction ends when a time restriction is met or a purpose restriction is accomplished. As restrictions are met, assets are reclassified to net assets without donor restrictions. Funds received with the stipulation that the funds be returned if specified future events fail to occur are accounted for as refundable advances until the conditions have been substantially met.

h) Revenue and cost recognition

The Organization recognizes donations when cash, securities or other assets; an unconditional promise to give; or a 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 on which they depend have been met.

Contributions received with both donor-imposed conditions and restrictions that are met in the same reporting period are reported as support without donor restrictions and increase net assets without donor restrictions.

A portion of the Organization's revenue is derived from cost-reimbursable federal, state, and local contracts and grants, which are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions.

i) Concentrations of credit risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash deposits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to certain limits and amounts at each investment firm are insurance by the Securities Investor Protection Corporation up to specific limits. The Organization has not experienced any losses in such accounts. The Organization has no policy requiring collateral or other security to support its deposits.

The Organization at times extends credit to its members. The Organization performs ongoing credit evaluations of its members but generally does not require collateral to support accounts receivable.

j) Investments

Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statement of financial position. Net investment return/(loss) is reported in the statement of activities and consists of interest, dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

k) Income taxes

The Organization is exempt from income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code and, accordingly, no provision for income taxes has been reflected in the accompanying financial statements.

NEW ORLEANS VIDEO ACCESS CENTER, INC.  
NOTES TO FINANCIAL STATEMENTS  
For the Years Ended December 31, 2023 and 2022

2) Summary of significant accounting policies (continued)

k) Income taxes (continued)

The Organization adopted the provisions of ASC 740, Accounting for Uncertainty in Income Taxes. Management of the Organization believes it has no material uncertain tax positions and, accordingly it will not recognize any liability for unrecognized tax benefits. With few exceptions, the Organization is not subject to U.S. federal and state income tax examinations by tax authorities beyond three years from the filing of those returns.

l) Functional expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the program and supporting services benefited. Where practicable, expenses are directly classified to specific program or supporting service categories. Costs that are not specifically identifiable within functional categories are classified using allocation methods. Allocated costs and methods include occupancy, salaries, payroll taxes and employee benefits allocated based on time studies.

m) Advertising

The Organization expenses advertising as incurred. Advertising expense was \$-0- and \$18 for the years ended December 31, 2023 and 2022, respectively.

n) In-kind contributions

Contributed nonfinancial assets include donated professional services, donated equipment, and other in-kind contributions which are recorded at the respective fair values of the goods or services received. The Organization does not sell donated gifts-in-kind. In addition to contributed nonfinancial assets, volunteers contribute significant amounts of time to program services, administration, and fundraising; 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. No significant contributions of such goods or services were received during the years ended December 31, 2023 and 2022, respectively.

o) Leases

The Organization leases office space. The Organization determines if an arrangement is a lease at inception. Operating lease assets and liabilities are recognized at the lease commencement date. Operating lease liabilities represent the present value of minimum lease payments not yet paid. Operating lease assets represent the right to use an underlying asset and are based upon the operating lease liabilities. To determine the present value of lease payments, the Organization uses the risk-free interest rate. The lease term includes the initial contractual terms as well as any options to extend the lease when it is reasonably certain that the Organization will exercise that option. Leases with an initial term of 12 months or less are not recorded on the statements of financial position. Operating lease payments are charged on a straight-line basis to rent expense over the lease term.

p) Fundraising

All expenses associated with fundraising events are expenses as incurred.

q) Reclassification

Certain reclassifications have been made to the prior year financial statement presentation. Total net assets and change in net assets are unchanged due to these reclassifications.

NEW ORLEANS VIDEO ACCESS CENTER, INC.  
NOTES TO FINANCIAL STATEMENTS  
For the Years Ended December 31, 2023 and 2022

2) Summary of significant accounting policies (continued)

r) Impairment of long-lived assets

The Organization reviews the carrying value of property and equipment for impairment whenever event and circumstances indicate the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of assets. The Organization did not recognize any impairment losses in 2023 related to assets held for use or sale.

The Organization evaluates whether events and circumstances have occurred that indicate the operating lease of right of use assets have been impaired. Measurement of any impairment is based on estimated fair values. Once a right of use asset is impaired, the carrying amount of the right of use asset is reduced through expense and the remaining balance is subsequently amortized on a straight-line basis. The Organization determined that the carrying amount of right of use assets has not exceeded its fair value; accordingly, no impairment losses exist.

s) Recently adopted accounting pronouncements

In June 2016, the FASB issued guidance (FASB ASC 326) which significantly changed how entities will measure credit losses for most financial assets and certain other instruments that aren't measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Organization that are subject to the guidance in FASB ASC 326 were grants receivable.

The Organization adopted the standard effective January 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in new/enhanced disclosures only.

3) Grants receivable

Grants receivable were as follows for the years ended December 31:

	2023	2022	2021
Grants receivable	\$ 53,948	\$ 20,569	\$ 27,917

4) Property and equipment

Property and equipment is summarized as follows:

	<u>2023</u>	<u>2022</u>
Video equipment	\$ 7,060	\$ 7,060
Computers	910	910
Total cost	7,970	7,970
Less accumulated depreciation	(7,970)	(7,970)
Property and equipment	\$ -	\$ -

NEW ORLEANS VIDEO ACCESS CENTER, INC.  
NOTES TO FINANCIAL STATEMENTS  
For the Years Ended December 31, 2023 and 2022

5) Investment income

A summary of return on investment consists of the following for the years ended December 31, 2023 and 2022:

	2023	2022
Endowment fund – restricted		
Investment income	\$ 271	\$ 221
Realized/unrealized gain (loss)	2,304	(2682)
Investment fees	(163)	(170)
	\$ 2,412	\$ (2,631)

6) Endowment fund

The Board of Directors of the Organization has interpreted UPMIFA as not expressly requiring the preservation of purchasing power (real value) for donor restricted endowment funds absent donor stipulations to the contrary. The New Orleans Video Access Center Fund contains no such stipulations. In accordance with the Organizations governing instruments, the assets are held as endowment funds until such time (if ever) as the Organization’s governing body deems it prudent and appropriate to expend some part of the principal or appreciation.

The Organization classifies as permanently restricted net assets the original value of gifts donated for permanent endowment, any subsequent gifts to such endowments, and accumulations subsequently made at the direction of the applicable donor instrument.

The New Orleans Video Access Center Fund is a permanently restricted endowment corpus that is included on the statements of financial position. Once the fund exceeds \$10,000, the Organization can elect to receive the quarterly interest income. The fund is managed by Greater New Orleans Foundation. The Organization elected not to receive the interest income from this endowment for the years ended December 31, 2023 and 2022. The balance of the endowment fund was \$21,322 and \$18,910 for the years ended December 31, 2023 and 2022, respectively.

7) Fair value measurement

Financial Accounting Standards Board (FASB) *Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework 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 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820-10 are described below:

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



NEW ORLEANS VIDEO ACCESS CENTER, INC.  
NOTES TO FINANCIAL STATEMENTS  
For the Years Ended December 31, 2023 and 2022

7) Fair value measurement (continued)

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

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

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

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2023:

	Assets at Fair Value as of December 31, 2023			
	Level 1	Level 2	Level 3	Total
Endowment	\$ 21,322	\$ -	\$ -	\$ 21,322
Total assets at fair value	\$ 21,322	\$ -	\$ -	\$ 21,322

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2022:

	Assets at Fair Value as of December 31, 2022			
	Level 1	Level 2	Level 3	Total
Endowment	\$ 18,910	\$ -	\$ -	\$ 18,910
Total assets at fair value	\$ 18,910	\$ -	\$ -	\$ 18,910

8) Restrictions on net assets

Net assets with donor restrictions consists of the following as of December 31, 2023 and 2022:

	2023	2022
Subject to expenditures for specified purpose:		
Workforce development	\$ -	\$ 16,250
Endowment	21,322	18,910
Total donor restricted assets	\$ 21,322	\$ 35,160

Net assets released from restrictions consist of the follow:

	2023	2022
Specified purpose:		
Workforce development	\$ 25,000	\$ 50,000
Born digital media youth	15,977	16,658
Filmmaker services	20,000	45,000
	\$ 60,977	\$ 111,658

NEW ORLEANS VIDEO ACCESS CENTER, INC.  
NOTES TO FINANCIAL STATEMENTS  
For the Years Ended December 31, 2023 and 2022

9) Operating leases

The Organization entered into a lease agreement effective December 1, 2022 for office space. The lease expires on November 30, 2024, unless terminated early in accordance with the lease agreement. Prior to entering this agreement, the Organization rented its New Orleans location on a month-to-month basis from a different lessor. The Organization rents its Baton Rouge location under a renewing one-year lease agreement expiring annually in April. In April 2023, the Organization extended the lease for an additional year.

The table below represents certain information related to lease costs for the years ended December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Operating lease right-of-use asset	\$ 121,987	\$ 121,987
Less: accumulated amortization	<u>(78,158)</u>	<u>(37,601)</u>
Operating lease right-of-use asset, net	<u><u>\$ 43,829</u></u>	<u><u>\$ 84,386</u></u>

Maturities of lease liabilities as of December 31, 2023 are as follows:

For the years ending December 31:	<u>Amount</u>
2024	<u>\$ 46,740</u>
Total	46,740
Present value discount	<u>(1,892)</u>
Present value of operating lease liability	44,848
Current portion of operating lease liability	<u>(44,848)</u>
Operating lease liability, less current portion	<u><u>\$ -</u></u>

10) 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, comprise the following:

Financial assets:	
Cash and cash equivalents	\$ 17,420
Grants receivable	<u>4,641</u>
Financial assets, at year end	<u>22,061</u>
Less those unavailable for general expenditure within one year, due to	
Restriction by donor for specified purpose	<u>-</u>
Financial assets available to meet cash needs for general expenditure within one year	<u><u>\$ 22,061</u></u>

11) Subsequent events

The Organization has evaluated subsequent events through the date of the 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.

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

To the Board of Directors  
New Orleans Video Access Center, Inc.  
New Orleans, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of New Orleans Video Access Center, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 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, and have issued our report thereon dated July 1, 2024.

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered New Orleans Video Access Center, Inc.'s internal control over financial reporting (internal control) to determine audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of New Orleans Video Access Center, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 Organization'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 the 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether New Orleans Video Access Center, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Metairie, Louisiana  
July 1, 2024

*Wegmann Bazet, A.P.C.*

NEW ORLEANS VIDEO ACCESS CENTER, INC.  
SUMMARY OF COMPENSATION, BENEFITS AND OTHER  
PAYMENTS TO AGENCY HEAD  
For the Year Ended December 31, 2023

SUMMARY OF COMPENSATION

India Robins  
Executive Director

<b>Purpose</b>	<b>Amount</b>
Salary	\$ 80,000