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## Report Highlights

# National Association for African American Economic Development (NAAAED)

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### Why We Conducted This Audit

In August 2024, a representative of the Louisiana Department of Treasury (Treasury) contacted the Louisiana Legislative Auditor and indicated that NAAAED failed to provide any documentation to support NAAAED's use of state-appropriated funds. In addition, the Treasury representative indicated that Treasury received complaints that NAAAED commingled state funds with non-public funds and used the state funds for charitable gaming activities. We initiated this audit to determine the validity of these complaints.

### What We Found

#### State Funds Improperly Used for Charitable Gaming Activities

In February 2024, NAAAED entered into a cooperative endeavor agreement (CEA) with Treasury and received \$400,000 in state-appropriated funds to provide occupational skills training, job placement, and eviction prevention training within House of Representatives District 99. However, from March 2024 to December 2024, records show that NAAAED improperly used \$199,568 of those funds to support its charitable gaming activities (bingo). Although NAAAED disbursed \$185,000 to various subrecipients to carry out the CEA's objectives, NAAAED failed to properly monitor those subrecipients and did not provide Treasury with documentation demonstrating proper use of the funds. By diverting state funds to support charitable gaming activities and failing to maintain and submit required supporting documentation to Treasury, NAAAED may have violated its CEA with Treasury and state law.

View the full report, including management's response, at [www.lla.la.gov](http://www.lla.la.gov).