

**AVOYELLES PUBLIC
CHARTER SCHOOL, INC.**

Mansura, Louisiana

**Financial Report
Year Ended June 30, 2023**

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INDEPENDENT AUDITOR'S REPORT

Mrs. Julie Roy, Executive Director,
and Members of the Board of Directors
Avoyelles Public Charter School, Inc.
Mansura, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Avoyelles Public Charter School, Inc. (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.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Avoyelles Public Charter School, Inc. as of June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Avoyelles Public Charter School, Inc. 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 opinions.

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 Avoyelles Public Charter School, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards 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 Avoyelles Public Charter School, 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 Avoyelles Public Charter School, 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 audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and

certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. This information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2023, on our consideration of Avoyelles Public Charter School, 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 Avoyelles Public Charter School, 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 Avoyelles Public Charter School, Inc.'s internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
December 14, 2023

FINANCIAL STATEMENTS

AVOYELLES PUBLIC CHARTER SCHOOL
Mansura, Louisiana

Statement of Financial Position
June 30, 2023

ASSETS

Current assets:

| | |
|-----------------------------|------------------|
| Cash and cash equivalents | \$ 3,190,038 |
| Interest-bearing deposits | 2,183,452 |
| Accrued interest receivable | 8,265 |
| Other receivables | 859 |
| Grants receivable | <u>1,279,799</u> |
| Total current assets | <u>6,662,413</u> |

Restricted assets:

| | |
|---------------------------|---------------|
| Cash and cash equivalents | <u>13,979</u> |
|---------------------------|---------------|

Fixed assets:

| | |
|--------------------------------|--------------------|
| Fixed Assets | 17,667,796 |
| Construction in progress | 17,028 |
| Less: accumulated depreciation | <u>(7,869,762)</u> |
| Total fixed assets, net | <u>9,815,062</u> |

| | |
|--------------|----------------------|
| Total assets | <u>\$ 16,491,454</u> |
|--------------|----------------------|

LIABILITIES AND NET ASSETS

Current liabilities:

| | |
|---------------------------------|------------------|
| Accounts payable | \$ 65,386 |
| Accrued expenses | 315,094 |
| Due to others | 13,979 |
| Notes payable - current portion | <u>844,716</u> |
| Total current liabilities | <u>1,239,175</u> |

Long term liabilities:

| | |
|---------------|----------------|
| Notes payable | <u>879,777</u> |
|---------------|----------------|

| | |
|-------------------|------------------|
| Total liabilities | <u>2,118,952</u> |
|-------------------|------------------|

Net assets:

| | |
|----------------------------|-------------------|
| Without donor restrictions | <u>14,372,502</u> |
|----------------------------|-------------------|

| | |
|----------------------------------|----------------------|
| Total liabilities and net assets | <u>\$ 16,491,454</u> |
|----------------------------------|----------------------|

The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PUBLIC CHARTER SCHOOL
Mansura, Louisiana

Statement of Activities
For the Year Ended June 30, 2023

| | |
|--|-----------------------------|
| Changes in net assets without donor restrictions | |
| Revenues, gains and other support: | |
| State MFP revenue | \$ 6,470,292 |
| Federal grants | 1,413,161 |
| Student fees | 113,397 |
| Miscellaneous revenue | 269,297 |
| Interest income | <u>13,154</u> |
| Total | <u>8,279,301</u> |
| Expenses and losses: | |
| Program services | 6,310,647 |
| Supporting services - | |
| Administrative expenses | 712,298 |
| Fundraising expenses | <u>65,225</u> |
| Total | <u>7,088,170</u> |
| Change in net assets without donor restrictions | 1,191,131 |
| Net assets, beginning of year | <u>13,181,371</u> |
| Net assets, end of year | <u><u>\$ 14,372,502</u></u> |

The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PUBLIC CHARTER SCHOOL
Mansura, Louisiana

Statement of Functional Expenses
For the Year Ended June 30, 2023

| | Program Services | Support Services | | Total |
|---------------------------------|---------------------|----------------------------|-------------------------|---------------------|
| | | Administrative Expenses | Fundraising Expenses | |
| Expenses: | | | | |
| Salaries | \$ 3,159,574 | \$ 313,757 | \$ - | \$ 3,473,331 |
| Payroll taxes | 42,492 | 3,678 | - | 46,170 |
| Employee group insurance | 568,372 | 60,501 | - | 628,873 |
| Retirement fund contribution | 752,845 | 82,573 | - | 835,418 |
| Other employee benefits | 27,578 | - | - | 27,578 |
| Retirees' group benefits | 86,386 | - | - | 86,386 |
| Transportation | 120,607 | - | - | 120,607 |
| Advertising | - | 2,414 | - | 2,414 |
| Depreciation expense | 540,481 | - | - | 540,481 |
| Amortization right to use asset | 82,628 | - | - | 82,628 |
| Dues and fees | 1,103 | 41,225 | - | 42,328 |
| Insurance | 186,622 | 9,168 | - | 195,790 |
| Repairs and maintenance | 72,728 | - | - | 72,728 |
| Audit / accounting services | - | 104,926 | - | 104,926 |
| Other professional services | 58,949 | - | - | 58,949 |
| Miscellaneous expense | 56,087 | 2,966 | 65,225 | 124,278 |
| Bank charges and fees | - | 471 | - | 471 |
| Purchased educational services | 30,162 | - | - | 30,162 |
| Materials and supplies | 143,038 | 84,889 | - | 227,927 |
| Books and periodicals | 1,541 | - | - | 1,541 |
| Telephone and postage | 12,612 | 5,730 | - | 18,342 |
| Utilities | 171,233 | - | - | 171,233 |
| Food service management | 105,362 | - | - | 105,362 |
| Interest expense | 90,247 | - | - | 90,247 |
| Totals | <u>\$ 6,310,647</u> | <u>\$ 712,298</u> | <u>\$ 65,225</u> | <u>\$ 7,088,170</u> |

The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PUBLIC CHARTER SCHOOL
Mansura, Louisiana

Statement of Cash Flows
For the Year Ended June 30, 2023

| | |
|---|---------------------|
| Cash flows from operating activities: | |
| Change in net assets without donor restrictions | \$ 1,191,131 |
| Adjustments to reconcile change in net assets without donor restrictions to net cash provided by operating activities - | |
| Depreciation | 540,481 |
| Amortization right to use asset | 82,628 |
| Decrease (increase) in operating assets | |
| Accrued interest receivable | 2,570 |
| Grants receivable | (543,673) |
| Other accounts receivable | 590 |
| (Decrease) increase in operating liabilities | |
| Accounts payable | 900 |
| Accrued expenses | 93,978 |
| Due to others | (4,416) |
| Net cash provided by operating activities | <u>1,364,189</u> |
| Cash flows from investing activities: | |
| Purchases of buildings and equipment | (369,811) |
| Purchases of interest-bearing deposits | <u>(3,951)</u> |
| Net cash used by investing activities | <u>(373,762)</u> |
| Cash flows from financing activities: | |
| Payments on lease payable | (83,645) |
| Payments on notes payable | <u>(810,608)</u> |
| Net cash used by financing activities | <u>(894,253)</u> |
| Net change in cash and cash equivalents | <u>96,174</u> |
| Cash and cash equivalents, beginning of year | |
| Unrestricted | 3,089,448 |
| Restricted | <u>18,395</u> |
| Total cash and cash equivalents, beginning of year | <u>3,107,843</u> |
| Cash and cash equivalents, end of year: | |
| Unrestricted | 3,190,038 |
| Restricted | <u>13,979</u> |
| Total cash and cash equivalents, end of year | <u>\$ 3,204,017</u> |
| Supplemental disclosure: | |
| Interest paid | <u>\$ 89,392</u> |

The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PUBLIC CHARTER SCHOOL, INC.

Notes to Financial Statements

(1) Nature of Activities and Significant Accounting Policies

A. Nature of Organization and Operations

The Avoyelles Public Charter School, Inc. (the School) was granted a charter by the State Board of Elementary and Secondary Education in 1999 to provide a stimulating environment to academically challenged elementary school children. The School incorporates firm policies of discipline with parental and community involvement so that students will master essential academic and life skills. The School is a Type 2 Charter School governed by a board of directors.

B. Income Taxes

The School is a non-profit corporation that is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code of 1986 and is an organization that is not a private foundation as defined in Section 509(a) of the Code. It is also exempt from Louisiana income tax. Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the School and recognize a tax liability (or asset) if the School has undertaken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the School and has concluded that as of June 30, 2023 there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The School is subject to routine audit by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

C. Financial Statement Presentation

The School reports information regarding its financial position and activities according to two classes of net assets: Net Assets without Donor Restrictions and Net Assets with Donor Restrictions.

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

D. Public Support and Revenue

The School receives its grant support primarily from the Louisiana State Department of Education Minimum Foundation program. Approximately 78% of the School's funding is from this program. Other public support is received from the U.S. Department of Education.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. Donated labor is

AVOYELLES PUBLIC CHARTER SCHOOL, INC.

Notes to Financial Statements

valued at the minimum wage rate in effect at the time of the donated services. Donated professional time is valued at the current market rate of the specific project. Donated materials are valued at current market value at the time of donation. There were no donated services that met the criteria for recognition.

All contributions are considered to be available for operations unless specifically restricted by the donor. Amounts received that are restricted by the donor for specific purposes are reported as net assets with donor restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions upon satisfaction of the donor-imposed time or purpose restriction. Contributions with donor restrictions, for which the restriction is met in the same year, are classified as net assets without donor restrictions.

E. Net Assets

The net assets of the School and changes therein are classified and reported as follows:

Net Assets with Donor Restrictions – Net Assets subject to stipulations imposed by donors and grantors. Some donor restrictions may be temporary in nature. These restrictions will be satisfied by actions of the School or by the passage of time.

Net Assets without Donor Restrictions – Net Assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the School. These net assets may be used at the discretion of the School’s management and board of directors.

F. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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.

G. Fixed Assets

Fixed assets are recorded at historical cost. Donated fixed assets are recorded at their estimated fair value at the date of donation. It is the School’s policy to capitalize fixed assets valued at \$1,000 or more. Fixed assets are being depreciated over their estimated useful lives using the straight-line method. The range of estimated useful lives is as follows:

AVOYELLES PUBLIC CHARTER SCHOOL, INC.

Notes to Financial Statements

| | |
|----------------------------|------------|
| Buildings and improvements | 40 years |
| Furniture and fixtures | 5-7 years |
| Machinery and equipment | 5-10 years |

H. Cash and Cash Equivalents

For the purpose of the statement of cash flows, the School considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

I. Compensated Absences

Teachers and staff are allowed a maximum of ten cumulative sick and/or personal days per year. These days will not carry over to the next year, but may, at the discretion of the board, be used for extended sick leave if an employee has a medical event that necessitates longer than ten days of recovery, and permission is granted by the board of directors of the School. At the time of retirement, death or termination, no monies will be owed or paid to an employee for accumulated sick days. If an employee leaves the school to continue in another public-school system, the accumulated days on record will not be transferred to that system upon resignation from the School. Therefore, no liability exists at June 30, 2023.

J. Functional Allocation of Expenses

The costs of providing various program and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

K. Revenue Recognition

Program reimbursements and grants are recorded or accrued as revenues when earned. Substantially all other revenues are recorded when received.

(2) Cash and Interest-Bearing Deposits

At June 30, 2023, the School had cash and interest-bearing deposits (book balances) totaling \$5,387,469. These deposits are stated at cost, which approximates market. Deposit balances (bank balances) at June 30, 2023 totaled \$5,588,896. The accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 at each financial institution. Total uninsured cash balances at June 30, 2023 were \$4,838,896 and therefore were exposed to custodial credit risk; however, these deposits were collateralized with securities held by the pledging bank and not in the School's name.

AVOYELLES PUBLIC CHARTER SCHOOL, INC.

Notes to Financial Statements

(3) Grants Receivable

Grants receivable were considered to be fully collectible by management. Accordingly, no allowance for doubtful accounts was required. Grants receivable consisted of the following at June 30, 2023:

United States Department of Education:

| | |
|-------------|---------------------|
| ESSER | \$ 823,734 |
| IDEA Part B | 113,728 |
| Title I | 287,370 |
| Other | <u>54,967</u> |
| | <u>\$ 1,279,799</u> |

(4) Fixed Assets

A summary of fixed assets is as follows:

| | |
|--|---------------------|
| Land | \$ 1,665,719 |
| Construction in progress | 17,028 |
| Buildings and improvements | 14,040,602 |
| Furniture and fixtures | 289,958 |
| Machinery and equipment | 1,401,550 |
| Leased assets - equipment | 269,967 |
| Accumulated depreciation | (7,599,795) |
| Accumulated depreciation - leased assets | <u>(269,967)</u> |
| Fixed assets, net | <u>\$ 9,815,062</u> |

Depreciation expense and amortization of right to use assets for the year ended June 30, 2023 was \$540,481, and \$82,628, respectively.

(5) Notes Payable

On August 30, 2005, the Avoyelles Public Charter School, Inc. signed a promissory note to USDA in the amount of \$7,502,000. The note is due in monthly payments of \$55,000, including interest at 4.125%, through maturity on August 30, 2045. The notes were issued for the construction/improvement of the School and the note is secured by operating revenues, real estate and personal property of the School. Events of default are outlined in the promissory note and include failure to remit payments timely. The remedy in the event of default under the promissory note shall be that the note becomes due and callable by the USDA. The following is a schedule of notes payable as of June 30, 2023:

| | |
|----------------------------------|-------------------|
| Note Payable as of June 30, 2023 | \$ 1,724,493 |
| Less: Current maturities | <u>(844,716)</u> |
| Note Payable- Long-term | <u>\$ 879,777</u> |

AVOYELLES PUBLIC CHARTER SCHOOL, INC.

Notes to Financial Statements

The annual debt service requirements are as follows:

| Year Ending June 30, | Principal payments |
|-------------------------|-----------------------|
| 2024 | \$ 844,716 |
| 2025 | 879,777 |
| | \$ 1,724,493 |

(6) Lease Payable

Avoyelles Public Charter School, Inc. entered into two lease agreements, upon expiration of the leases in the current fiscal year, subsequent to June 30, 2023.

An agreement entered between the School and Ross Bus and Equipment Sales as of July 1, 2023 for 5 2024 77-passenger school buses. The School will pay Ross Bus and Equipment Sales an annual payment of \$119,000 for the next three years, with the lease agreement expiring June 30, 2026.

An agreement entered into between the School and Xerox Financial Services as of September 21, 2023 for copier machines. The School will pay Xerox Financial Services \$1,272 for the next sixty months, with the lease agreement expiring September 21, 2028.

(7) Board Designated Net Assets

It is the policy of the Board of Directors to review its plans for future property improvements and acquisitions from time to time and to designate appropriate sums of net assets to assure adequate financing of such improvements and acquisitions. Net assets have also been designated to fund the future liability associated with retiree health insurance benefits as well as debt service reserve requirements. At June 30, 2023, net assets designated by the Board of Directors amounted to \$4,916,316.

(8) School Activity Deposits Due to Others

The School acted as custodian for several student activity bank accounts. Funds held on behalf of these groups amounted to \$13,979 at June 30, 2023, and were reported as both an asset and a liability. Consequently, there was no effect on the School's net assets.

(9) Postemployment Benefits

Substantially all employees of the Avoyelles Public Charter School, Inc. are members of two statewide retirement systems. In general, professional employees (such as teachers and principals) are members of the Teachers' Retirement System of Louisiana; other employees, such as custodial personnel, are members of the Louisiana School Employees' Retirement System. These systems are cost sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. The risks of participating in these multiemployer defined benefit pension plans are different from single-employer plans because: (a) assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers, (b) if a participating employer stops contributing to the plan, the unfunded obligations of the plan may be

AVOYELLES PUBLIC CHARTER SCHOOL, INC.

Notes to Financial Statements

required to be borne by the remaining participating employers, and (c) if the Organization chooses to stop participating in one of its multiemployer plans, it may be required to pay a withdrawal liability to the plan. The School has no plans to withdraw from its multiemployer pension plans. As of the most recent period available, neither plan was in a funding improvement or rehabilitation program and the School was not required to pay any amounts to the plan beyond its annual required contributions. Plan contribution amounts are computed annually by the plan's actuary and approved by the plan's board of directors. Accruals have not been made for postemployment benefits solely because the amounts due are not reasonably estimated as of June 30, 2023. Pertinent information relative to each plan is as follow:

A. Teachers' Retirement System of Louisiana (TRSL)

Plan Description. The TRSL consists of three membership plans: Regular Plan, Plan A, and Plan B. The TRSL provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. Due to the nature of the Plan, the employer identification number and plan number is not available. Information about the plans funded status as of June 30, 2023 is not available and cannot be obtained without undue cost and effort. As a public retirement system in the State of Louisiana the plan produces a report containing funding information for a period 365 days prior to the School's balance sheet date. That report indicated that the plan's liabilities were \$34,593,361,759 which exceeded the plan's net position of \$25,046,085,419 resulting in the plan being 72.4% funded. The TRSL issues a publicly available financial report and includes financial statements and required supplementary information for the TRSL. That report may be obtained by writing to the Teachers' Retirement System of Louisiana, Post Office Box 94123, Baton Rouge, Louisiana 70804-9123, or by calling (225) 925-6446.

Funding Policy. Plan members are required to contribute 8.0 percent, 9.1 percent, and 5.0 percent of their annual covered salary for the Regular Plan, Plan A, and Plan B, respectively. The School is required to contribute an actuarially determined rate. The current rate is 24.8 percent of annual covered payroll for the Regular Plan, Plan A, and Plan B, respectively. Member contributions and employer's contributions for the TRSL are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The Avoyelles Public Charter School Inc.'s employer contribution for the TRSL, as provided by state law, is funded by the State of Louisiana through annual appropriations and by remittances from the School.

The Avoyelles Public Charter School, Inc.'s contributions to the TRSL for the year ending June 30, 2023 was \$796,980, which was equal to the required contributions for the year. This contribution did not exceed 5% of the total plan contributions as of the plans most recent report dated June 30, 2022. No significant changes have occurred related to the School's contributions other than the annual adjustment of the contribution rate.

AVOYELLES PUBLIC CHARTER SCHOOL, INC.

Notes to Financial Statements

B. Louisiana School Employees' Retirement System (LSERS)

Plan Description. The LSERS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statutes. Due to the nature of the Plan, the employer identification number and plan number is not available. Information about the plans funded status as of June 30, 2023 is not available and cannot be obtained without undue cost and effort. As a public retirement system in the State of Louisiana the plan produces a report containing funding information for a period 365 days prior to the Schools balance sheet date. That report indicated that the plan's liabilities were \$2,806,773,108 which exceeded the plan's net position of \$2,141,775,693 resulting in the plan being 76.31% funded. LSERS issues a publicly available financial report that includes financial statements and required supplementary information for the LSERS. That report may be obtained by writing to the Louisiana School Employees Retirement System, Post Office Box 44516, Baton Rouge, Louisiana 70804, or by calling (225) 925-6484.

Funding Policy. Plan members are required to contribute 7.5 percent of their annual covered salary for members hired before July 1, 2010 and 8.0 percent for new hires enrolled on or after July 1, 2010, and the employer is required to contribute at an actuarially determined rate. The current rate is 28.70 percent of annual covered payroll. Member contributions and employer contributions for the LSERS are established by state law, and rates are established by the Public Retirement Systems' Actuarial Committee. The Avoyelles Public Charter School, Inc.'s employer contribution for the LSERS is funded by the State of Louisiana through annual appropriations.

The Avoyelles Public Charter School Inc.'s contributions to the LSERS for the year ending June 30, 2023 was \$29,771, which was equal to the required contributions for the year. This contribution did not exceed 5% of the total plan contributions as of the plans most recent report dated June 30, 2022. No significant changes have occurred related to the Schools contributions other than the annual adjustment of the contribution rate.

(10) Schedule of Compensation, Benefits and Other Payments to Director

A detail of compensation, benefits, and other payments made to the Director, Julie Roy for the year ended June 30, 2023 follows:

| <u>Purpose</u> | <u>Amount</u> |
|-----------------------|-------------------|
| Salary | \$ 111,393 |
| Benefits - medicare | 1,579 |
| Benefits - insurance | 7,345 |
| Benefits - retirement | 27,626 |
| | <u>\$ 147,943</u> |

AVOYELLES PUBLIC CHARTER SCHOOL, INC.

Notes to Financial Statements

(11) Related Party Transactions

Avoyelles Public Charter School, Inc. had deposits in the Cottonport Bank in the amount of \$5,172,220 (bank balance) at June 30, 2023. A board member of the Avoyelles Public Charter School, Inc. is the President and C.E.O. of the Cottonport Bank. During the year \$92,406 was paid for insurance coverage to the Cottonport Insurance Agency, which is a subsidiary of the Cottonport Bank.

(12) Advertising

Advertising costs were expensed as incurred. Total advertising expense for the year ended June 30, 2023 was \$2,414.

(13) Contingencies

Financial awards from federal, state, and local governmental entities in the form of grants are subject to audit and review by the entities providing the funding. Such audits and reviews could result in expenses being disallowed under the terms and conditions of the grants. Management is not aware of any disallowances related to grants as of June 30, 2023. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

The Avoyelles Public Charter School, Inc. provides medical benefits to its current and retired employee's through the Louisiana Office of Group Benefits (OGB). The plan provisions are contained in the official plan documents of the OGB, which is available at www.groupbenefits.org. The OGB plan is fully insured and is considered a multiple-employer plan for financial reporting purposes. The School has no plans to withdraw from the OGB plan. As of the most recent period available, the plan was not in a funding improvement or rehabilitation program and the School was not required to pay any amounts to the plan beyond its normal payments related to its employee's premiums. The School has made all contributions required by the plan.

(14) Liquidity and Availability of Resources

The School's financial assets available within one year of the balance sheet date for general expenditures are as follows:

| | |
|-----------------------------|---------------------|
| Cash and cash equivalents | \$ 3,190,038 |
| Interest-bearing deposits | 2,183,452 |
| Accrued interest receivable | 8,265 |
| Due from Employee | 859 |
| Grant receivable | <u>1,279,799</u> |
| Total current assets | <u>\$ 6,662,413</u> |

As part of the School's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Although the School does not intend to spend from its Board Designated net assets (Note 7) other than amounts appropriated for general expenditures as part of its annual appropriation process, amounts from its Board Designated net assets could be made available if necessary.

AVOYELLES PUBLIC CHARTER SCHOOL, INC.

Notes to Financial Statements

(15) Litigation

There was no litigation pending against the Avoyelles Public Charter School, Inc. as of June 30, 2023.

SUPPLEMENTAL SCHEDULES

AVOYELLES PUBLIC CHARTER SCHOOL, INC.

Schedule of Board Members
For the Year Ended June 30, 2023

| | <u>Term Expiration</u> |
|--|------------------------|
| Becky Descant President 201 Longfellow Road Mansura, LA 71350 (318) 240-8285 | 6/30/2024 |
| Elizabeth Reed Vice-President 201 Longfellow Road Mansura, LA 71350 (318) 240-8285 | 6/30/2024 |
| Glenn Goudeau Treasurer 201 Longfellow Road Mansura, LA 71350 (318) 240-8285 | 6/30/2026 |
| A.J. Roy III 201 Longfellow Road Mansura, LA 71350 (318) 240-8285 | 6/30/2026 |
| Jeanette Dugas 201 Longfellow Road Mansura, LA 71350 (318) 240-8285 | 6/30/2024 |
| Julia R. Boston 201 Longfellow Road Mansura, LA 71350 (318) 240-8285 | 6/30/2026 |
| Marshall Ray Sampson, Sr. 201 Longfellow Road Mansura, LA 71350 (318) 240-8285 | 6/30/2026 |

AVOYELLES PUBLIC CHARTER SCHOOL, INC.

Schedule of Insurance In Force
For the Year Ended June 30, 2023

| <u>Description of Coverage</u> | <u>Asset Covered</u> | <u>Coverage Amount</u> | <u>Insurance Company</u> | <u>Policy Number</u> | <u>Expiration Date</u> |
|--------------------------------|---|---|--|--|------------------------|
| General Liability Policy | \$5M Commercial Umbrella | \$2,000,000 aggregate \$1,000,000 each occurrence | Cottonport Ins. Agency Western Heritage Insurance Co. | NPP8989582 | 8/20/24 |
| Excess Liability Policy | Liability and Auto Liability Coverage's | \$5,000,000 | Cottonport Ins. Agency American Alternative Ins. Co. | 60A2FF0003538-05 | 8/20/24 |
| Auto Policy | Business Automobiles | \$1,000,000 liability | Cottonport Ins. Agency Incline Casualty Company | 5ST10589R | 12/4/24 |
| Property Policy | Buildings and Contents | \$20,424,431 | Cottonport Ins. Agency EMC Insurance | 2P9-46-94 | 8/18/24 |
| Worker's Compensation | Employees | \$1,000,000 | Cottonport Ins. Agency Stonetrust Insurance Company | WCV0073354-2023A | 10/16/24 |
| Employee Dishonesty Bond | Employees | \$100,000 per claim | Cottonport Ins. Agency CNA Surety Company | 68995280 | 4/18/24 |
| Student Accident | Students | \$1,000,000 Catoastrophic Student Accident \$25,000 Voluntary Student Accident \$25,000 Base Student Accident | Mutual of Omaha Ins. Co. | SR2014-C-LA-P-05384 SB21CC-C-LA-P-05386 | 7/31/24 |

**INTERNAL CONTROL,
COMPLIANCE
AND
OTHER MATTERS**

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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Nicholas Fowlkes, CPA
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C. Burton Kolder, CPA*
Of Counsel

Victor R. Slaven, CPA* - retired 2020
Christine C. Doucet, CPA – retired 2022

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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*

Mrs. Julie Roy, Executive Director,
and Members of the Board of Directors
Avoyelles Public Charter School, Inc.
Mansura, 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 Avoyelles Public Charter School, Inc. (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, and have issued our report thereon dated December 14, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Avoyelles Public Charter School, Inc.'s internal control over financial reporting (internal control) as a basis for designing the 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 Avoyelles Public Charter School, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Avoyelles Public Charter School, Inc.'s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Avoyelles Public Charter School, 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
December 14, 2023

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Mrs. Julie Roy, Executive Director,
and Members of the Board of Directors
Avoyelles Public Charter School
Mansura, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Avoyelles Public Charter School, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Avoyelles Public Charter School, Inc.'s major federal program for the year ended June 30, 2023. Avoyelles Public Charter School, Inc.'s major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Avoyelles Public Charter School, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Avoyelles Public Charter School, Inc. and to meet our other ethical responsibilities, in accordance with 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 opinion on

compliance for each major federal program. Our audit does not provide a legal determination of Avoyelles Public Charter School, Inc.'s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Avoyelles Public Charter School, Inc.'s federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Avoyelles Public Charter School, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Avoyelles Public Charter School, Inc.'s compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Avoyelles Public Charter School, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Avoyelles Public Charter School, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Avoyelles Public Charter School's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility

that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
December 14, 2023

AVOYELLES PUBLIC CHARTER SCHOOL
Mansura, Louisiana

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

| Federal Grantor/Pass Through Grantor/Program Title | Assistance Listing Number | Pass-through Identifying Number | Federal Expenditures | Amounts Passed Through to Subrecipients |
|---|---------------------------------|---------------------------------------|-------------------------|--|
| <u>United States Department of Agriculture-</u> | | | | |
| <u>Child Nutrition Cluster</u> | | | | |
| Passed through Louisiana Department of Education | | | | |
| Summer Food Service Program for Children | 10.559 | N/A | \$ 102,596 | |
| Supply Chain Assistance | 10.559 | N/A | <u>30,766</u> | |
| Total - Assistance Listing Number #10.559 | | | <u>133,362</u> | - |
| Total United States Department of Agriculture | | | <u>133,362</u> | - |
| <u>United States Department of Education-</u> | | | | |
| <u>Special Education Cluster (IDEA)</u> | | | | |
| Passed through Louisiana Department of Education | | | | |
| Special Education Grants to States | 84.027 | 28-23-B1-7a | 113,728 | |
| Special Education Grants to States | 84.027 | 28-22-IA11-7a | <u>33,831</u> | |
| Total - Assistance Listing Number #84.027 | | | 147,559 | |
| Special Education Preschool Grants | 84.173 | 28-23-P1-7a | <u>2,196</u> | |
| Total Special Education Cluster (IDEA) | | | 149,755 | - |
| Title I Grants to Local Educational Agencies | 84.010 | 28-23-T1-7a | 287,370 | - |
| Rural Education Achievement Program | 84.358 | 28-23-RLIS-7a | 18,940 | - |
| Education Stabilization Fund - COVID-19 | 84.425D | 28-21-ES3F-7a | 660,367 | |
| Education Stabilization Fund - COVID-19 | 84.425D | 28-21-ES2F-7a | 17,028 | |
| Education Stabilization Fund - COVID-19 | 84.425D | 28-21-ESEB-7a | 141,639 | |
| Education Stabilization Fund - COVID-19 | 84.425D | 28-21-ES31-7a | <u>4,700</u> | |
| Total for Assistance Listing Number #84.425D | | | <u>823,734</u> | - |
| Total United States Department of Education | | | <u>1,279,799</u> | - |
| TOTAL FEDERAL AWARDS | | | <u>\$ 1,413,161</u> | <u>\$ -</u> |

The accompanying notes are an integral part of this schedule.

AVOYELLES PUBLIC CHARTER SCHOOL
Mansura, Louisiana

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

(1) General

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Avoyelles Public Charter School, Inc. under programs of the federal government for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Avoyelles Public Charter School, it is not intended to and does not present the financial position, changes in net position, or cash flows of Avoyelles Public Charter School.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the School Board's basic financial statements for the year ended June 30, 2023. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(3) Indirect Cost Rate

The Charter School has elected not to use the 10 percent de minimis indirect cost rate allowed under Uniform Guidance.

AVOYELLES PUBLIC CHARTER SCHOOL
Mansura, Louisiana
Schedule of Findings and Questioned Costs
Year Ended June 30, 2023

Part I. Summary of Auditor's Results:

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting

Material weakness(es) identified? _____yes x no

Significant deficiencies identified? _____yes x none reported

Noncompliance material to financial statements noted? _____yes x no

Federal Awards

Type of auditor's report issued on compliance for major programs: Unmodified

Internal control over major programs

Material weakness(es) identified? _____yes x no

Significant deficiencies identified? _____yes x none reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? _____yes x no

Major programs:

| <u>Assistance Listing Number(s)</u> | <u>Name of Federal Program or Cluster</u> |
|--|---|
| 84.425D | Education Stabilization Fund |
| Dollar threshold used to distinguish between type A and type B programs: | \$750,000 |
| Auditee qualified as low risk auditee? | <u> x </u> Yes _____ No |

AVOYELLES PUBLIC CHARTER SCHOOL
Mansura, Louisiana
Schedule of Findings and Questioned Costs
Year Ended June 30, 2023

Part II. Findings which are required to be reported in accordance with generally accepted Governmental Auditing Standards:

A. Internal Control Findings –

There are no findings to be reported under this section.

B. Compliance Findings –

There are no findings to be reported under this section.

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in 2 CFR section 200 of the Uniform Guidance:

A. Internal Control Findings –

There are no findings to be reported under this section.

B. Compliance Findings –

There are no findings to be reported under this section.

**SCHEDULES REQUIRED BY STATE LAW
(R.S. 24:514 – PERFORMANCE AND STATISTICAL DATA)**

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

The Board of Directors of the Avoyelles Public Charter School, Inc.
Louisiana Department of Education
Louisiana Legislative Auditor

We have performed the procedures enumerated below on the performance and statistical data accompanying the annual financial statements of the Avoyelles Public Charter School, Inc., for the fiscal year ended June 30, 2023, and to determine whether the specified schedules are free of obvious errors and omissions, in compliance with the Louisiana Revised Statute 24:514. Management of the Avoyelles Public Charter School, Inc. is responsible for its performance and statistical data.

Avoyelles Public Charter School, Inc. has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement which is to perform specified procedures on the performance and statistical data accompanying the annual financial statements. Additionally, the Louisiana Department of Education, and the Louisiana Legislative Auditor have agreed to and acknowledged that the procedures performed are appropriate for their purpose. The procedures performed may not address all of the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 1)

1. We selected a sample of 25 transactions and reviewed supporting documentation and observed that the sampled expenditures/revenues are classified correctly and are reported in the proper amounts among the following amounts reported on the schedule:

- Total General Fund Instructional Expenditures,
- Total General Fund Equipment Expenditures,
- Total Local Taxation Revenue,
- Total Local Earnings on Investment in Real Property,
- Total State Revenue in Lieu of Taxes,
- Nonpublic Textbook Revenue, and
- Nonpublic Transportation Revenue.

There were no exceptions noted.

Class Size Characteristics (Schedule 2)

2. We obtained a list of classes by school, school type, and class size as reported on the schedule. We then traced a sample of 10 classes to the October 1 roll books for those classes and observed if the class was properly classified on the schedule.

There were no exceptions noted.

Levels of Public School Staff (NO SCHEDULE)

3. We obtained October 1st PEP data submitted to the Department of Education (or equivalent listing prepared by management), including full-time teachers, principals, and assistant principals by classification, as well as their level of education and expertise, and obtained management's representation that the data/listing was complete. We then selected a sample of 25 individuals, traced to each individual's personnel file, and observed that each individual's education level and experience was properly classified on the PEP data or equivalent listing prepared by management.

There were no exceptions noted.

Public Staff Data: Average Salaries (NO SCHEDULE)

4. We obtained June 30th PEP data submitted to the Department of Education (or equivalent listing provided by management) of all classroom teachers, including base salary, extra compensation, and ROTC or rehired retiree status, as well as full-time equivalents, and obtained management's representation that the data/listing was complete. We then selected a sample of 25 individuals, traced to each individual's personnel file, and observed that each individual's salary, extra compensation, and full-time equivalents were properly included on the PEP data (or equivalent listing prepared by management).

There were no exceptions noted.

We were engaged by Avoyelles Public Charter School, Inc. to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the performance and statistical data. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Avoyelles Public Charter School, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement. This report is intended solely to describe the scope of testing performed on the performance and statistical data accompanying the annual financial statements of the Avoyelles Public Charter School, Inc., as required by Louisiana Revised Statute 24:514., and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
December 14, 2023

AVOYELLES PUBLIC CHARTER SCHOOL
Mansura, Louisiana

Schedules Required by State Law (R.S. 24:514 - Performance and Statistical Data)
As of and for the Year Ended June 30, 2023

Schedule 1 - General Fund Instructional and Support Expenditures and Certain Local Revenue Source

This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments, revenue in lieu of taxes, and nonpublic textbook and transportation revenue. This data is used either in the Minimum Foundation Program (MFP) formula or is presented annually in the MFP 70% Expenditure Requirement Report.

Schedule 2 (Formerly Schedule 6) - Class Size Characteristics

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students.

AVOYELLES PUBLIC CHARTER SCHOOL
Mansura, Louisiana
Schedule 1

General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2023

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

| | | |
|---|--------------|---------------------|
| Teacher and Student Interaction Activities - | | |
| Classroom Teacher Salaries | \$ 2,012,087 | |
| Other Instructional Staff Activities | 152,548 | |
| Instructional Staff Employee Benefits | 1,119,355 | |
| Purchased Professional and Technical Services | - | |
| Instructional Materials and Supplies | 109,820 | |
| Instructional Equipment | <u>-</u> | |
| Total Teacher and Student Interaction Activities | | \$ 3,393,810 |
| Other Instructional Activities: | | |
| | | 202,484 |
| Pupil Support Services | 15,240 | |
| Less: Equipment for Pupil Support Services | <u>-</u> | |
| Net Pupil Support Services | | 15,240 |
| Instructional Staff Services | 152,080 | |
| Less: Equipment for Instructional Staff Services | <u>-</u> | |
| Net Instructional Staff Services | | 152,080 |
| School Administration | 321,242 | |
| Less: Equipment for School Administration | <u>-</u> | |
| Net School Administration | | <u>321,242</u> |
| Total General Fund Instructional Expenditures (Total of Column B) | | <u>\$ 4,084,856</u> |
| Total General Fund Equipment Expenditures (Object 730; Function Series 1000-4000) | | |
| | | <u>\$ 35,177</u> |

Certain Local Revenue Sources

Local Taxation Revenue:

| | |
|---|-------------|
| Constitutional Ad Valorem Taxes | \$ - |
| Renewable Ad Valorem Tax | - |
| Debt Service Ad Valorem Tax | - |
| Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes | - |
| Sales and Use Taxes | <u>-</u> |
| Total Local Taxation Revenue | <u>\$ -</u> |
| Local Earnings on Investment in Real Property: | |
| Earnings from 16th Section Property | <u>\$ -</u> |
| State revenue in Lieu of Taxes: | |
| Revenue Sharing - Constitutional Tax | \$ - |
| Revenue Sharing - Other Taxes | - |
| Revenue Sharing - Excess Portion | - |
| Other Revenue in Lieu of Taxes | <u>-</u> |
| Total State Revenue in Lieu of Taxes | <u>\$ -</u> |
| Nonpublic Textbook Revenue | |
| | <u>\$ -</u> |
| Nonpublic Transportation Revenue | |
| | <u>\$ -</u> |

AVOYELLES PUBLIC CHARTER SCHOOL

Mansura, Louisiana

Schedule 2

Class Size Characteristics

As of October 1, 2022

| School Type | Class Size Range | | | | | | | |
|----------------------------------|------------------|--------|---------|--------|---------|--------|---------|--------|
| | 1 - 20 | | 21 - 26 | | 27 - 33 | | 34+ | |
| | Percent | Number | Percent | Number | Percent | Number | Percent | Number |
| Elementary | 0% | - | 0% | - | 0% | - | 0% | - |
| Elementary Activity Classes | 0% | - | 0% | - | 0% | - | 0% | - |
| Middle/Jr. High | 0% | - | 0% | - | 0% | - | 0% | - |
| Middle/Jr. High Activity Classes | 0% | - | 0% | - | 0% | - | 0% | - |
| High | 0% | - | 0% | - | 0% | - | 0% | - |
| High Activity Classes | 0% | - | 0% | - | 0% | - | 0% | - |
| Combination | 47% | 112 | 30% | 72 | 22% | 52 | 1% | 1 |
| Combination Activity Classes | 58% | 27 | 19% | 9 | 19% | 9 | 4% | 2 |

Note: The Board of Elementary and Secondary Education has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades K-3 is 26 students and maximum enrollment in grades 4-12 is 33 students. These limits do not apply to activity classes such as physical education, chorus, band, and other classes without maximum enrollment standards. Therefore, these classes are included only as separate line items.

Avoyelles Public Charter School, Inc.
Mansura, Louisiana

Statewide Agreed-Upon Procedures Report

Fiscal Period July 1, 2022 through June 30, 2023

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
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Casey L. Ardoin, CPA, CFE*
Wanda F. Arcement, CPA
Bryan K. Joubert, CPA
Nicholas Fowlkes, CPA
Deidre L. Stock, CPA

C. Burton Kolder, CPA*
Of Counsel

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Christine C. Doucet, CPA – retired 2022

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INDEPENDENT ACCOUNTANT’S REPORT ON APPLYING AGREED-UPON PROCEDURES

To Mrs. Julie Roy, Executive Director
and Members of the Board of Directors,
Avoyelles Public Charter School, Inc.
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor’s (LLA’s) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2022 through June 30, 2023. The Avoyelles Public Charter School, Inc.’s management is responsible for those C/C areas identified in the SAUPs.

Avoyelles Public Charter School, Inc. has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in the LLA’s SAUPs for the fiscal period July 1, 2022 through July 30, 2023. Additionally, the LLA has agreed to and acknowledged that the procedures performed are appropriate for its purpose. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) Written Policies and Procedures

- A. Obtained and inspected the entity’s written policies and procedures and observed that they address each of the following categories and subcategories if applicable to public funds and the entity’s operations:
- i) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - ii) ***Purchasing***, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and

purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.

- iii) **Disbursements**, including processing, reviewing, and approving.
- iv) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- v) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- vi) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- vii) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- viii) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- ix) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- x) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

We performed the procedures and discussed the results with management.

- xii) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

2) Board or Finance Committee

- A. Obtained and inspected the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
- i) Observed that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - ii) For those entities reporting on the governmental accounting model, observed that the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - iii) For governmental entities, obtained the prior year audit report and observed the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observed that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.
 - iv) Observed whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

3) Bank Reconciliations

- A. Obtained a listing of entity's bank accounts for the fiscal period from management and management's representation that the listing is complete. Asked management to identify the entity's main operating account. Selected the entity's main operating account and randomly selected 4 additional accounts (or all accounts if less than 5). Randomly selected one month from the fiscal period, obtained and inspected the corresponding bank statement and reconciliation for selected each account, and observed that:
- i) Bank reconciliations included evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged).
 - ii) Bank reconciliations included evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged).
 - iii) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

4) Collections (excluding electronic funds transfers)

- A. Obtained a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly selected 5 deposit sites (or all deposit sites if less than 5).
- B. For each deposit site selected, obtained a listing of collection locations and management's representation that the listing is complete. Randomly selected one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtained and inspected written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observed that job duties are properly segregated at each collection location such that:
 - i) Employees that are responsible for cash collections do not share cash drawers/registers.
 - ii) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - iii) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - iv) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee/official verifies the reconciliation.
- C. Obtained from management a copy of the bond or insurance policy for theft covering all employees who have access to cash and observed the bond or insurance policy for theft was enforced during the fiscal period.
- D. Randomly selected two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (selected the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly selected a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtained supporting documentation for each of the 10 deposits and:
 - i) Observed that receipts are sequentially pre-numbered.
 - ii) Traced sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - iii) Traced the deposit slip total to the actual deposit per the bank statement.
 - iv) Observed that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
 - v) Traced the actual deposit per the bank statement to the general ledger.

5) *Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)*

- A. Obtained a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly selected 5 locations (or all locations if less than 5).
- B. For each location selected under #5A above, obtained a listing of those employees involved with non-payroll purchasing and payment functions. Obtained written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquired of employees about their job duties), and observed that job duties are properly segregated such that:
- i) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - ii) At least two employees are involved in processing and approving payments to vendors.
 - iii) The employee responsible for processing payments is prohibited from adding/modifying vendor files unless another employee is responsible for periodically reviewing changes to vendor files.
 - iv) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
 - v) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.
- C. For each location selected under #5A above, obtained the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtained management's representation that the population is complete. Randomly selected 5 disbursements for each location, obtained supporting documentation for each transaction and:
- i) Observed whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
 - ii) Observed that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5B above, as applicable.
- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly selected 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observed that each electronic disbursement was (a) approved only by those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month/or account for testing that does include electronic disbursements.

6) Credit Cards/Debit Cards/Fuel Cards/P-Cards

- A. Obtained from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtained management's representation that the listing is complete.
- B. Using the listing prepared by management, randomly selected 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly selected one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtained supporting documentation, and:
 - i) Observed that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]
 - ii) Observed that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under #6B above, excluding fuel cards, randomly selected 10 transactions (or all transactions if less than 10) from each statement, and obtained supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observed that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

7) Travel and Travel-Related Expense Reimbursements (excluding card transactions)

- A. Obtained from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly selected 5 reimbursements, obtained the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
 - i) If reimbursed using a per diem, observed the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - ii) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - iii) Observed that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those

individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii.)

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

8) Contracts

- A. Obtained from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtained management's representation that the listing is complete. Randomly selected 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
 - i) Observed that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - ii) Observed whether the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
 - iii) If the contract was amended (e.g. change order), observed that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, that approval was documented).
 - iv) Randomly selected one payment from the fiscal period for each of the 5 contracts, obtained the supporting invoice, agreed the invoice to the contract terms, and observed the invoice and related payment agreed to the terms and conditions of the contract.

9) Payroll and Personnel

- A. Obtained a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly selected 5 employees or officials, obtained related paid salaries and personnel files, and agreed paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly selected one pay period during the fiscal period. For the 5 employees or officials selected under #9A above, obtained attendance records and leave documentation for the pay period, and:
 - i) Observed all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
 - ii) Observed whether supervisors approved the attendance and leave of the selected employees or officials.
 - iii) Observed any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - iv) Observed the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

- C. Obtained a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly selected two employees or officials, obtained related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agreed the hours to the employee's or official's cumulative leave records, agreed the pay rates to the employee or official's authorized pay rates in the employee's or official's personnel files, and agreed the termination payment to entity policy.
- D. Obtained management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

10) Ethics

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

11) Debt Service

- A. Obtained a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Selected all debt instruments on the listing, obtained supporting documentation, and observed State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
- B. Obtained a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly selected one bond/note, inspected debt covenants, obtained supporting documentation for the reserve balance and payments, and agreed actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

12) Fraud Notice

- A. Obtained a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Selected all misappropriations on the listing, obtained supporting documentation, and observed that the entity reported the

misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

- B. Observed the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

13) Information Technology Disaster Recovery/ Business Continuity

- A. Performed the following procedures and verbally discussed the results with management:
 - i) Obtained and inspected the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observed that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
 - ii) Obtained and inspected the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquired of personnel responsible for testing/ verifying backup restoration) and observed evidence that the test/verification was successfully performed within the past 3 months.
 - iii) Obtained a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly selected 5 computers and observed while management demonstrated that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- B. Randomly selected 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observed evidence that the selected terminated employees have been removed or disabled from the network.

We performed the procedures and discussed the results with management.

14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtained sexual harassment training documentation from management, and observed that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observed that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
- C. Obtained the entity's annual sexual harassment report for the current fiscal period, observed that the report was dated on or before February 1, and observed that the report includes the applicable requirements of R.S. 42:344:
 - i) Number and percentage of public servants in the agency who have completed the training requirements.

- ii) Number of sexual harassment complaints received by the agency.
- iii) Number of complaints which resulted in a finding that sexual harassment occurred.
- iv) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective actions.
- v) The amount of time it took to resolve each complaint.

Findings:

No exceptions were found as a result of applying procedures listed above except:

Bank Reconciliations:

One of five reconciliations did not show evidence of researching items outstanding longer than twelve months.

Credit/Debit/Fuel/Purchasing Cards:

Seven of twelve transactions tested were not supported by a receipt and contained no documentation of the business/public purpose. Of the five successfully tested, one did not include documentation of the individuals participating in meals.

Travel and Travel Related Expense Reimbursements:

One of five transactions tested did not include a receipt supporting the reimbursement.

Fraud Notice

The notice required by R.S. 24:523.1 is not posted on the school's website.

Management's Response:

The management of Avoyelles Public Charter School, Inc. concurs with the exception and are working to address the deficiency identified.

We were engaged by Avoyelles Public Charter School, Inc. to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Avoyelles Public Charter School, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
December 14, 2023