
RENEW – REINVENTING EDUCATION
NEW ORLEANS, LOUISIANA

FINANCIAL STATEMENTS

JUNE 30, 2022

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FINANCIAL STATEMENTS

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
ReNEW – Reinventing Education

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of ReNEW – Reinventing Education (“ReNEW”) (a nonprofit organization), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statement of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ReNEW as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America 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 Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of ReNEW and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about ReNEW’s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors’ 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 auditors’ 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 ReNEW'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 ReNEW'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 Schedule of Compensation and other Disbursements Paid to or on behalf of Agency Head on page 17 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2022, on our consideration of ReNEW'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 ReNEW'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 ReNEW's internal control over financial reporting and compliance.

Postlethwaite & Netterville

Metairie, Louisiana
December 29, 2022

RENEW – REINVENTING EDUCATION
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022 AND 2021

<u>ASSETS</u>		
	<u>2022</u>	<u>2021</u>
<u>CURRENT ASSETS</u>		
Cash	\$ 9,764,471	\$ 6,745,783
Grants receivable	8,679,257	2,896,581
Other receivables	310,583	185,583
Deposits	122,128	122,128
	<hr/>	<hr/>
Total current assets	18,876,439	9,950,075
 <u>PROPERTY AND EQUIPMENT, NET</u>		
	1,066,943	1,304,115
	<hr/>	<hr/>
Total assets	<u>\$ 19,943,382</u>	<u>\$ 11,254,190</u>
 <u>LIABILITIES AND NET ASSETS</u>		
<u>CURRENT LIABILITIES</u>		
Accounts payable and accrued expenses	\$ 2,980,642	\$ 1,314,553
	<hr/>	<hr/>
Total current liabilities	2,980,642	1,314,553
	<hr/>	<hr/>
Total liabilities	2,980,642	1,314,553
 <u>NET ASSETS</u>		
Without donor restrictions	16,938,605	9,916,388
With donor restrictions	24,135	23,249
	<hr/>	<hr/>
Total net assets	16,962,740	9,939,637
	<hr/>	<hr/>
Total liabilities and net assets	<u>\$ 19,943,382</u>	<u>\$ 11,254,190</u>

The accompanying notes are an integral part of these financial statements.

RENEW - REINVENTING EDUCATION
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2022 AND 2021

	<u>Year ended June 30, 2022</u>			<u>Year ended June 30, 2021</u>		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<u>REVENUES AND SUPPORT</u>						
Federal government	\$ 20,256,795	\$ -	\$ 20,256,795	\$ 6,752,878	\$ -	\$ 6,752,878
State and local governments	26,097,612	-	26,097,612	27,394,321	-	27,394,321
Private grants and donations	63,970	100,916	164,886	8,774	187,133	195,907
Payroll Protection Program (Note 12)	-	-	-	275,891	-	275,891
Other revenue	909,004	-	909,004	359,047	-	359,047
Net assets released from restrictions	100,030	(100,030)	-	192,519	(192,519)	-
	<u>47,427,411</u>	<u>886</u>	<u>47,428,297</u>	<u>34,983,430</u>	<u>(5,386)</u>	<u>34,978,044</u>
<u>EXPENSES</u>						
Program services						
Regular education programs	14,359,988	-	14,359,988	11,730,045	-	11,730,045
Operation and maintenance of facilities	6,681,039	-	6,681,039	5,267,675	-	5,267,675
Special education programs	4,840,465	-	4,840,465	4,800,263	-	4,800,263
School administration	3,890,000	-	3,890,000	3,110,842	-	3,110,842
Instructional staff services	1,789,752	-	1,789,752	1,898,021	-	1,898,021
Food service operations	1,277,523	-	1,277,523	1,065,605	-	1,065,605
Pupil support services	3,870,176	-	3,870,176	3,577,433	-	3,577,433
Student activities	1,459,272	-	1,459,272	1,554,268	-	1,554,268
Management and general						
General administration	2,236,979	-	2,236,979	2,244,913	-	2,244,913
	<u>40,405,194</u>	<u>-</u>	<u>40,405,194</u>	<u>35,249,065</u>	<u>-</u>	<u>35,249,065</u>
Change in net assets	7,022,217	886	7,023,103	(265,635)	(5,386)	(271,021)
<u>NET ASSETS, BEGINNING OF YEAR</u>	<u>9,916,388</u>	<u>23,249</u>	<u>9,939,637</u>	<u>10,182,023</u>	<u>28,635</u>	<u>10,210,658</u>
<u>NET ASSETS, END OF YEAR</u>	<u>\$ 16,938,605</u>	<u>\$ 24,135</u>	<u>\$ 16,962,740</u>	<u>\$ 9,916,388</u>	<u>\$ 23,249</u>	<u>\$ 9,939,637</u>

The accompanying notes are an integral part of these financial statements.

RENEW - REINVENTING EDUCATION
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Change in net assets	\$ 7,023,103	\$ (271,021)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation expense	598,174	471,945
Changes in operating assets and liabilities:		
Grants receivable	(5,782,676)	(1,266,847)
Other receivables	(125,000)	151,435
Deposits	-	5,000
Accounts payable and accrued expenses	1,666,089	(212,934)
Refundable advances	-	(275,891)
	<u>3,379,690</u>	<u>(1,398,313)</u>
Net cash provided by (used in) operating activities		
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Purchases of property and equipment	<u>(361,002)</u>	<u>(1,062,021)</u>
Net cash used in investing activities	<u>(361,002)</u>	<u>(1,062,021)</u>
Net increase (decrease) in cash	3,018,688	(2,460,334)
Cash, beginning of year	<u>6,745,783</u>	<u>9,206,117</u>
Cash, end of year	<u><u>\$ 9,764,471</u></u>	<u><u>\$ 6,745,783</u></u>

The accompanying notes are an integral part of these financial statements.

RENEW – REINVENTING EDUCATION

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Organization

ReNEW – Reinventing Education (“ReNEW” or “the Organization”), incorporated on June 6, 2009, is an educational institution organized to provide a rigorous, college preparatory education to historically underserved pre-kindergarten through eighth grade students.

As a result of Orleans Parish city wide school reunification, effective July 1, 2018, the Louisiana State Board of Elementary and Secondary Education (BESE) approved the transfer of all of ReNEW's Type 5 charter schools to a Type 3B charter to operate under the jurisdiction of New Orleans Public Schools (NOLAPS). During the year ended June 30, 2022, ReNEW operated 3 schools: ReNEW SciTech Academy at Laurel Elementary, ReNEW Dolores T. Aaron Elementary, and ReNEW Schaumburg Elementary.

Basis of Presentation

The financial statements of ReNEW have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles ("GAAP"), which require ReNEW to report information regarding its financial position and activities according to the following net asset classifications:

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 organization. These net assets may be used at the discretion of ReNEW's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of ReNEW or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash

Cash includes amounts on deposit at local financial institutions.

RENEW – REINVENTING EDUCATION

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

Grants and Other Receivables

Grants and other receivables consist primarily of noninterest-bearing amounts related to federal and state grant reimbursements. ReNEW records unconditional promises to give that are expected to be collected within one year at net realizable value. Promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. At June 30, 2022 and 2021, there are no unconditional promises to give. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

ReNEW determines the allowance for uncollectable receivables based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Receivables are written off when deemed uncollectable. At June 30, 2022 and 2021, management does not have an allowance for doubtful accounts as outstanding amounts are considered collectible.

Property and Equipment

The land, building and building improvements used to operate ReNEW are owned by New Orleans Public Schools (NOLAPS), and as such, are recorded on the financial statements of NOLAPS. NOLAPS also provided ReNEW with furniture and equipment that is also recorded on the NOLAPS's financial statements and not reported by ReNEW. See note 12 for further information.

ReNEW only reports its direct purchases of leasehold improvements, furniture and equipment. ReNEW has adopted the practice of capitalizing all expenditures for depreciable assets where the unit costs exceed \$5,000. Property is recorded at cost or at fair value for donated assets. Depreciation of these assets is provided on the straight-line basis over their estimated useful lives of 3 years for furniture and equipment and 5 years for leasehold improvements.

Contributions and Revenue Recognition

Revenue is recognized when earned. Revenues from federal and state grants are conditioned upon certain performance requirements, the incurrence of allowable qualifying expenses, or when otherwise earned under the terms of the funding. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional contributions are not recognized until the conditions on which they depend have been substantially met. Amounts received are recognized as revenue when ReNEW has met the performance requirements and/or incurred expenditures in compliance with specific grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statements of financial position.

RENEW – REINVENTING EDUCATION

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

Contributed Gifts-In-Kind

The value of contributed goods and services is recorded, at fair value, as revenues and support and expense or assets in the period received, provided there is an objective basis for measurement of the value of such goods and services. Recognition of contributed services requires specialized skills. ReNEW did not recognize donated goods or services during the years ended June 30, 2022 and 2021.

In addition, ReNEW receives services donated by parents and community members in carrying out ReNEW's mission. The value of these services is not recognized in the accompanying financial statements as they do not meet the criteria for recognition under GAAP.

Functional Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Note 10 presents a reconciliation of expenses by function to their natural classification. Accordingly, certain costs have been allocated among the programs and services benefited. Expenses have been specifically identified with a program or supporting service.

Tax Exempt Status

ReNEW is a nonprofit organization exempt from the income taxes under provisions of the Internal Revenue Service Code Sections 501(c) (3) and the Louisiana Revised Statutes; therefore, no provision has been made for federal and state income taxes.

ReNEW applies a "more-likely-than-not" recognition threshold for all tax uncertainties. This approach only allows the recognition of those tax benefits that have a greater than 50% percent likelihood of being sustained upon examination by the taxing authorities. As a result of applying this approach, ReNEW has reviewed its tax positions and determined there were no outstanding, or retroactive tax positions with less than a 50% likelihood of being sustained upon examination by the taxing authorities.

Newly Adopted Accounting Standard

ReNEW adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958)*. This ASU requires nonprofits to change their financial statement presentation and disclosure of contributed nonfinancial assets, or gifts-in-kind. The FASB issued the update in an effort to improve transparency in reporting nonprofit gifts-in-kind. Adoption of this standard is retroactive. ReNEW's adoption of ASU 2020-07 did not have an impact on the financial statements or disclosures for the years ended June 30, 2022 or 2021.

RENEW – REINVENTING EDUCATION

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

Recent Accounting Standards, Not Yet Adopted

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. This accounting standard requires lessees to recognize assets and liabilities related to lease arrangements longer than twelve months on the statement of financial position as well as additional disclosures. In July 2018, the FASB issued ASU 2018-11, *Leases (Topic 842): Targeted Improvements*, to simplify the lease standard's implementation. The amended guidance relieves businesses and other organizations of the requirement to present prior comparative years' results when they adopt the new lease standard. Instead of recasting prior year results using the new accounting when they adopt the guidance, companies can choose to recognize the cumulative effect of applying the new standard to leased assets and liabilities as an adjustment to the opening balance of net assets. This standard will be effective for ReNEW's fiscal year ending June 30, 2023.

ReNEW is currently evaluating the impact this ASU will have on its financial statements.

2. Liquidity and Availability

ReNEW regularly monitors the availability of resources required to meet its operating needs and other contractual commitments.

ReNEW receives the majority of its revenue from the State of Louisiana Minimum Foundation Program Funding and from various federal grants passed through the State of Louisiana. The grant amounts are appropriated each year by the federal and state governments.

ReNEW manages its available cash to meet general expenditures following three guiding principles:

- Operating within a prudent range of financial soundness and stability;
- Maintaining liquid assets; and
- Maintaining sufficient reserves to provide reasonable assurance that long term commitments will continue to be met, ensuring the sustainability of the organization.

The table below presents financial assets available for general expenditures within one year at June 30:

	<u>2022</u>	<u>2021</u>
Total assets	\$ 19,943,382	\$ 11,254,190
Less: non-financial assets		
Prepaid expenses/deposits	(122,128)	(122,128)
Property and equipment, net	<u>(1,066,943)</u>	<u>(1,304,115)</u>
Financial assets available for general expenditures within one year	<u>\$ 18,754,311</u>	<u>\$ 9,827,947</u>

RENEW – REINVENTING EDUCATION

NOTES TO FINANCIAL STATEMENTS

3. Grants Receivable

Grants receivable as of June 30 are as follows:

	<u>2022</u>	<u>2021</u>
Due from federal government	\$ 6,451,035	\$ 775,747
Due from State of Louisiana	2,228,222	2,120,834
	<u>\$ 8,679,257</u>	<u>\$ 2,896,581</u>

4. Property and Equipment

A summary of property and equipment at June 30 is as follows:

	<u>2022</u>	<u>2021</u>
Furniture and equipment	\$ 1,571,562	\$ 1,571,562
Leasehold improvements	968,512	954,509
	2,540,074	2,526,071
Less: accumulated depreciation	(1,473,131)	(1,221,956)
Total property and equipment, net	<u>\$ 1,066,943</u>	<u>\$ 1,304,115</u>

5. Net Assets with Donor Restrictions

A summary of the composition of net assets with donor restrictions at June 30 is as follows:

	<u>2022</u>	<u>2021</u>
Restricted for purpose:		
Second Harvest Backpack Program	\$ 20,000	\$ 20,000
School Garden Project	2,135	3,249
Scholarship America	2,000	-
	<u>\$ 24,135</u>	<u>\$ 23,249</u>

RENEW – REINVENTING EDUCATION

NOTES TO FINANCIAL STATEMENTS

5. Net Assets with Donor Restrictions (continued)

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes as follows for the years ended June 30:

	<u>2022</u>	<u>2021</u>
Learning equality	\$ 40,895	\$ -
COVID-19 support	30,000	55,672
Student technology	17,100	-
Water pollution research	8,422	-
Staff development	1,500	-
DTA garden	1,113	5,386
Family literacy events	1,000	2,000
Summer school transportation	-	75,000
RAHS Perkins	-	38,961
Summer reading / reading mastery	-	8,000
Afterschool computer coding	-	7,500
	<u>\$ 100,030</u>	<u>\$ 192,519</u>

6. Credit Risk Concentration

As of June 30, 2022 and 2021, ReNEW had bank accounts at financial institutions, which at times may exceed federally insured deposit limits. ReNEW has not historically experienced any loss in such accounts and management believes ReNEW is not exposed to any significant credit risk related to the cash in the banks.

7. Economic Dependency

ReNEW receives the majority of its revenue from the state and local Minimum Foundation Program funding and from various federal grants passed through the State of Louisiana. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/ or state level, the amount of funds ReNEW receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will significantly affect the amount of revenue and support ReNEW will receive related to its grant awards.

8. Contingencies

ReNEW participates in a number of state and federal grant programs, which are governed by various rules and regulations. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that ReNEW has not complied with the rules and regulations governing the grants, refunds of any money received and the collectability of any related receivable as of June 30, 2022 might be impaired. In management's opinion, there are no significant contingent liabilities relating to compliance with the rules and regulations governing state and federal grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies. Audits of prior years have not resulted in any significant disallowed costs or refunds. Any costs that would be disallowed would be recognized in the period agreed upon by the grantor agency and ReNEW.

RENEW – REINVENTING EDUCATION

NOTES TO FINANCIAL STATEMENTS

9. Functional Allocation of Expenses

Program services represent specifically identified expenses and management’s estimate of expenses that should be allocated to supporting classroom and teaching activities and programs. Management and general services represent specifically identified expenses and management’s estimate of expenses that should be allocated to business management and administration services.

Functional expenses for the year ended June 30, 2022 are as follows:

	<u>Program Services</u>	<u>Management and General</u>	<u>Total</u>
Advertising	\$ 66,765	\$ -	\$ 66,765
Contract services	2,178,530	221,195	2,399,725
Depreciation expense	598,174	-	598,174
Facility, equipment, and maintenance	1,856,429	-	1,856,429
Food service operations	1,277,523	-	1,277,523
Instructional materials	1,797,031	9,656	1,806,687
Insurance	655,147	-	655,147
Non-instructional materials	10,056	149,662	159,718
Telephone, postage, access, and printing	181,252	651	181,903
Salaries and benefits	25,561,791	1,802,138	27,363,929
State and local MFP fee	477,533	-	477,533
Student transportation	2,323,667	-	2,323,667
Technology	717,022	10,214	727,236
Travel and staff development	467,295	43,463	510,758
Total expenses	<u>\$ 38,168,215</u>	<u>\$ 2,236,979</u>	<u>\$ 40,405,194</u>

RENEW – REINVENTING EDUCATION

NOTES TO FINANCIAL STATEMENTS

9. Functional Allocation of Expenses (continued)

Functional expenses for the year ended June 30, 2021 are as follows:

	Program Services	Management and General	Total
Advertising	\$ 47,643	\$ -	\$ 47,643
Contract services	2,172,380	234,391	2,406,771
Depreciation expense	471,945	-	471,945
Facility, equipment, and maintenance	1,375,135	-	1,375,135
Food service operations	1,064,100	-	1,064,100
Instructional materials	1,202,422	-	1,202,422
Insurance	588,273	-	588,273
Non-instructional materials	1,440	173,492	174,932
Miscellaneous	4,800	-	4,800
Telephone, postage, access, and printing	98,632	4,905	103,537
Salaries and benefits	22,993,734	1,809,386	24,803,120
State and local MFP fee	484,207	3,142	487,349
Student transportation	1,645,935	-	1,645,935
Technology	590,382	-	590,382
Travel and staff development	263,124	19,597	282,721
Total expenses	<u>\$ 33,004,152</u>	<u>\$ 2,244,913</u>	<u>\$ 35,249,065</u>

10. Defined Contribution Plan

ReNEW has a 401(k) plan that was adopted in July 2010. Full-time employees 18 years of age and older are eligible to participate in the Plan after completing one hour of service in a twelve-month period. Under the terms of the Plan, ReNEW matches employee contributions up to 4% of employee compensation. As of January 1, 2021, ReNEW matches employee contributions based upon years of service from 4% to 10% of employee compensation. All participating employee match contributions are fully vested. For the years ended June 30, 2022 and 2021, ReNEW made \$488,739 and \$334,610, respectively, in employer matching contributions to the plan.

11. School Properties

On July 1, 2021, ReNEW entered into a lease agreement with NOLAPS to allow ReNEW to use facilities and its contents located at 10200 Curran Boulevard. ReNEW is using the space for ReNEW Dolores T. Aaron Academy for three years. During the years ended June 30, 2022 and 2021, no rent was charged to ReNEW by NOLAPS.

On July 1, 2021, ReNEW entered into a lease agreement with NOLAPS to allow ReNEW to use facilities and its contents located at 820 Jackson Avenue. ReNEW is using the space for ReNEW SciTech for three years. During the years ended June 30, 2022 and 2021, no rent was charged to ReNEW by NOLAPS.

RENEW – REINVENTING EDUCATION

NOTES TO FINANCIAL STATEMENTS

11. School Properties (continued)

On July 1, 2021, ReNEW entered into a lease agreement with NOLAPS to allow ReNEW to use the facilities and its content located at 9501 Grant Street. ReNEW is using the space for ReNEW Schaumburg Elementary for three years. During the years ended June 30, 2022 and 2021, no rent was charged to ReNEW by the NOLAPS.

On July 1, 2021, ReNEW entered into a lease agreement with NOLAPS to allow ReNEW to use the facilities and its contents located at 1607 South Carrollton Avenue. ReNEW is using the space for the operations of ReNEW SciTech's programs for three years. During the years ended June 30, 2022 and 2021, no rent was charged to ReNEW by the NOLAPS.

Use of the property, including fixtures, furniture, and equipment provided by NOLAPS is not recorded as an in-kind contribution. ReNEW is responsible for all necessary maintenance to ensure that the facilities comply with all state and local health and safety standards and other applicable laws, regulations, and rules.

12. Paycheck Protection Program

During the year ended June 30, 2020, ReNEW applied for and was approved for a \$4,201,200 loan under the Paycheck Protection Program (PPP) administered by the Small Business Administration as part of the relief efforts related to COVID-19. ReNEW recognized \$3,925,309 of the loan as an unconditional contribution, which was recorded on the statement of activities for the year ended June 30, 2020, having met the conditions for forgiveness by incurring eligible expenditures. The remaining \$275,891 was recognized as a refundable advance, which was recorded on the statement of financial position at June 30, 2020. This amount was subsequently recognized as an unconditional contribution, which was recorded on the statement of activities for the year ended June 30, 2021, having met the conditions for forgiveness by incurring eligible expenditures. ReNEW received notice of forgiveness in the full amount of the loan during July 2021.

13. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, December 29, 2022, and determined that there were no other events that required additional disclosure. No events occurring after this date have been evaluated for inclusion in these financial statements.

SUPPLEMENTARY INFORMATION

RENEW - REINVENTING EDUCATION
SCHEDULE OF COMPENSATION AND OTHER DISBURSEMENTS
PAID TO OR ON BEHALF OF AGENCY HEAD
FOR THE YEAR ENDED JUNE 30, 2022

Organization Head: Tanya Bryant, CEO

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 198,936
Mileage	1,800
Benefits - Insurance	9,045
Benefits - Retirement	11,864
Benefits - FICA	9,031
Benefits - Medicare	2,789
Team Development Meeting (Staff)*	181

* Reimbursements include expenses paid by the CEO on behalf of others (non-CEO).

See accompanying independent auditors' report.

RENEW – REINVENTING EDUCATION
NEW ORLEANS, LOUISIANA

SINGLE AUDIT REPORT

JUNE 30, 2022

RENEW – REINVENTING EDUCATION
NEW ORLEANS, LOUISIANA

SINGLE AUDIT REPORT

JUNE 30, 2022

RENEW – REINVENTING EDUCATION
NEW ORLEANS, LOUISIANA

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

To the Board of Directors,
ReNEW – Reinventing Education

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 ReNEW – Reinventing Education (ReNEW) (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 29, 2022.

Report on Internal Control Over Financial Reporting

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

Postlethwaite & Netterville

Metairie, Louisiana
December 29, 2022

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND
THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

To the Board of Directors,
ReNEW – Reinventing Education

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited ReNEW – Reinventing Education's (ReNEW)'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of ReNEW's major federal programs for the year ended June 30, 2022. ReNEW's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, ReNEW complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

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 ReNEW 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 ReNEW'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 ReNEW'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 ReNEW'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 ReNEW's compliance with the requirements of each 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 ReNEW'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 ReNEW'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 ReNEW'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.

Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance

We have audited the financial statements of ReNEW as of and for the year ended June 30, 2022, and have issued our report thereon dated December 29, 2022, which contained an unmodified opinion on those financial statements. 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 is presented for purposes of additional analysis as required by the Uniform Guidance 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.

Postlethwaite & Netterville

Metairie, Louisiana
December 29, 2022

RENEW - REINVENTING EDUCATION
NEW ORLEANS, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

Federal Grantor/ Pass Through Grantor/ Program Title	Assistance Listing Number	Grantor Project Number	Federal Expenditures	Passed to Sub-Recipients
<u>U.S. Department of Agriculture</u>				
Passed through the Louisiana Department of Education				
School Breakfast Program	10.553	16-SFS-015	\$ 562,229	\$ -
National School Lunch Program	10.555	16-SFS-015	1,095,958	123,915
Covid-19 - National School Lunch Program	10.555	16-SFS-015	194,341	
Summer Food Service Program for Children	10.559	16-SFS-015	57,489	-
Total Child Nutrition Cluster			1,910,017	123,915
Covid-19 - The Emergency Food Assistance Program (TEFAP)	10.568	16-SFS-015	4,568	
Child and Adult Care Food Program	10.558	2016-92AR	110,242	-
Total U.S. Department of Agriculture			2,024,827	123,915
<u>U.S. Department of Education</u>				
Passed through the Louisiana Department of Education				
Special Education - Grants to States and High Risk Pool	84.027A	H027A200033	696,713	-
Special Education - High Costs	84.027A	H027A200033-20	78,613	-
Special Education - Preschool Grants	84.173A	H173A200082	60,611	-
Total Special Education Cluster (IDEA)			835,937	-
Title I Grants to Local Education Agencies	84.010A	S010A140018	1,463,174	-
Title I Direct Student Services	84.010A	S010A140018	48,723	-
Title I ReDesign	84.010A	S010A140018	258,877	-
Total Title I			1,770,774	-
Covid-19 - Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425D	S425D200003	14,034,093	-
Covid-19 - Governor's Emergency Education Relief (GEER) Fund	84.425C	S425D200003	37,215	-
Total Education Stabilization Fund			14,071,308	-
Title II, Part A, Teacher and Principal Training and Recruiting	84.367A	S367A150017	158,994	-
Title III, Part A	84.365	S365A200018	16,795	-
Title IV, Part A	84.424A	S424A200019	118,351	-
Twenty-First Century Community Learning Centers	84.287C	S287C200018	1,015,891	-
Comprehensive Literacy Development	84.371C	S371C190018	243,918	-
Total U.S. Department of Education			18,231,968	-
Total federal assistance expended			\$ 20,256,795	\$ 123,915

See accompanying notes to Schedule of Expenditures of Federal Awards.

RENEW – REINVENTING EDUCATION
NEW ORLEANS, LOUISIANA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

(1) Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal award activity of ReNEW- Reinventing Education (ReNEW) under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 1 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 ReNEW, it is not intended to and does not present the financial position, changes in net assets, or cash flows of ReNEW.

(2) Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. 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) Relationship to Basic Financial Statements

Federal awards are included in federal government revenue in the statement of activities.

(4) De Minimis Indirect Cost Rate

ReNEW has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

RENEW – REINVENTING EDUCATION
NEW ORLEANS, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

Section I – Summary of Independent Auditors’ Results

Financial Statements

Type of auditor’s report issued: unmodified

Internal control over financial reporting:

- Material weakness(es) identified: no
- Significant deficiency(ies) identified: none reported

Noncompliance material to the financial statements noted: no

Federal Awards

Internal control over major program:

- Material weakness(es) identified: no
- Significant deficiency(ies) identified: none reported

Type of auditor's report issued on compliance for major program: unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance no

Identification of major programs:

Child Nutrition Cluster	10.553, 10.555, 10.559
Education Stabilization Fund – COVID-19	84.425C, 84.425D
Twenty-First Century Community Learning Centers	84.287C

Dollar threshold used to distinguish between type A and type B programs \$750,000

Auditee qualified as a low-risk auditee: yes

Section II – Findings relating to the financial statements reported in accordance with Government Auditing Standards

None

Section III – Findings and Questioned Costs Related to Federal Awards

None

RENEW – REINVENTING EDUCATION
NEW ORLEANS, LOUISIANA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2022

Section II – Findings relating to the financial statements reported in accordance with
Government Auditing Standards

None

Section III – Findings and Questioned Costs Related to Federal Awards

None

RENEW – REINVENTING EDUCATION
NEW ORLEANS, LOUISIANA

PERFORMANCE AND STATISTICAL DATA

FOR THE YEAR ENDED JUNE 30, 2022

RENEW – REINVENTING EDUCATION
NEW ORLEANS, LOUISIANA

PERFORMANCE AND STATISTICAL DATA

FOR THE YEAR ENDED JUNE 30, 2022

**Independent Accountants' Report
on Applying Agreed-Upon Procedures**

To the Board of Directors
ReNEW – Reinventing Education
New Orleans, Louisiana

We have performed the procedures enumerated below on the performance and statistical data accompanying the annual financial statements of ReNEW – Reinventing Education (ReNEW) for the fiscal year ended June 30, 2022; and to determine whether the specified schedules are free of obvious errors and omissions, in compliance with Louisiana Revised Statute 24:514 I. Management of ReNEW is responsible for its performance and statistical data.

ReNEW 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 purposes. 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:

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

1. We selected a sample of 25 transactions, 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 Schedule 1:
 - 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
 - Nonpublic Transportation Revenue

We noted no exceptions.

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, 2021 roll books for those classes and observed that the class was properly classified on Schedule 2.

We noted no exceptions.

Education Levels/Experience of Public School Staff (No Schedule)

3. We obtained October 1, 2021 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 experience, 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.

For 2 of the 25 individuals selected for testing, the education level on the PEP data did not agree to the education level documented in the personnel files. For 5 of the 25 individuals selected for testing, the years of experience on the PEP data did not agree to the years of experience documented in the personnel files.

Public School Staff Data: Average Salaries (No Schedule)

4. We obtained June 30, 2022 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).

We noted no exceptions.

We were engaged by ReNEW 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 engagement, 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 ReNEW 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 ReNEW, as required by Louisiana Revised Statute 24:514.I, 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.

Postlethwaite & Netterville

RENEW – REINVENTING EDUCATION
NEW ORLEANS, LOUISIANA

REPORT ON STATEWIDE
AGREED-UPON PROCEDURES ON COMPLIANCE AND
CONTROL AREAS

FOR THE YEAR ENDED JUNE 30, 2022

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INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Members of the
ReNEW – Reinventing Education and the
Louisiana Legislative Auditor:

We have performed the procedures enumerated in Schedule A 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, 2021 through June 30, 2022. ReNEW – Reinventing Education's management is responsible for those C/C areas identified in the SAUPs.

ReNEW – Reinventing Education 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 LLA's SAUPs for the fiscal period July 1, 2021 through June 30, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. 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 we performed, and the associated findings are summarized in the attached Schedule A, which is an integral part of this report.

We were engaged by ReNEW 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 ReNEW 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.

Postlethwaite & Netterville

Metairie, Louisiana
December 29, 2022

RENEW – REINVENTING EDUCATION
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
JUNE 30, 2022

Schedule A

The procedures performed and the results thereof are set forth below. The procedure is stated first, followed by the results of the procedure presented in italics. If the item being subjected to the procedures is positively identified or present, then the results will read “*no exceptions noted*” or for step 25 “*we performed the procedure and discussed the results with management*”. If not, then a description of the exception ensues.

A - Written Policies and Procedures

1. Obtain and inspect the entity’s written policies and procedures and observe whether they address each of the following categories and subcategories (if applicable to public funds and the entity’s operations):

a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

No exceptions noted.

b) ***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.

No exceptions noted.

c) ***Disbursements***, including processing, reviewing, and approving

No exceptions noted.

d) ***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).

No exceptions noted.

e) ***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.

No exceptions noted.

f) ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

No exceptions noted.

RENEW – REINVENTING EDUCATION
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
JUNE 30, 2022

Schedule A

- g) **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).

No exceptions noted.

- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

No exceptions noted.

- i) **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.

No exceptions noted.

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

This procedure is not applicable, as the Entity does not have debt.

- k) **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.

No exceptions noted.

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

No exceptions noted.

B - Board or Finance Committee

2. Obtain and inspect 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:
- a) Observe whether 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.

No exceptions noted.

RENEW – REINVENTING EDUCATION
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
JUNE 30, 2022

Schedule A

- b) For those entities reporting on the governmental accounting model, observe whether 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 nonprofit 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.*

No exceptions noted.

- c) For governmental entities, obtain the prior year audit report and observe 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, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

This procedure is not applicable because the Entity is a nonprofit organization.

C - Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management’s representation that the listing is complete. Ask management to identify the entity’s main operating account. Select the entity’s main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

A listing of bank accounts was provided and included a total of 5 bank accounts. Management identified the entity’s main operating account. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected all 5 bank accounts and obtained the bank reconciliations for the month ending June 30, 2022 which were subjected to the below procedures.

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

No exceptions noted.

- b) Bank reconciliations include 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); and

The 5 bank reconciliations obtained did not have evidence that a member of management or board member who does not handle cash, post ledgers, or issue checks reviewed the bank reconciliations.

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- c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

No exceptions noted.

D - Collections (excluding electronic funds transfers)

4. Obtain 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 select 5 deposit sites (or all deposit sites if less than 5).

A listing of deposit sites was provided and included a total of 4 deposit sites, (3 schools and the Management Office). No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected all 4 deposit sites and performed the procedures below.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect 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 observe that job duties are properly segregated at each collection location such that:

A listing of collection locations for each deposit site selected in procedure #4 was provided and included a total of 4 collection locations. No exceptions were noted as a result of performing this procedure.

From each of the listings provided, we randomly selected one collection location for each deposit site. Review of the Entity's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.

- a) Employees responsible for cash collections do not share cash drawers/registers.

No exceptions noted.

- b) 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.

No exceptions noted.

- c) 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.

No exceptions noted.

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- d) 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 verifies the reconciliation.

No exceptions noted.

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

No exceptions noted.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under “Bank Reconciliations” above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select 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.* Obtain supporting documentation for each of the 10 deposits and:

We randomly selected two deposit dates for each of the 5 bank accounts selected in procedure #3. We obtained supporting documentation for each of the 10 deposits and performed the procedures below. This resulted in a total of 5 deposits selected for testing, as some accounts had less than 2 deposits.

- a) Observe that receipts are sequentially pre-numbered.

No exceptions noted.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

No exceptions noted.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

No exceptions noted.

- d) Observe 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).

For 1 of the 5 deposits selected for testing, the deposit was not made within one business day. The deposit was made two business days after receipt.

- e) Trace the actual deposit per the bank statement to the general ledger.

No exceptions noted.

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E - Non-payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

The listing of locations that process payments for the fiscal period was provided. There was only one location. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected the one location and performed the procedures below.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

The listing of employees involved with non-payroll purchasing and payment functions for the payment processing location selected in procedure #8 was provided. No exceptions were noted as a result of performing this procedure.

Review of the Entity's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

No exceptions noted.

- b) At least two employees are involved in processing and approving payments to vendors.

No exceptions noted.

- c) 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.

No exceptions noted.

- d) 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.

No exceptions noted.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

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A listing of non-payroll disbursements for each payment processing location selected in procedures #8 was provided related to the reporting period. No exceptions were noted as a result of performing this procedure.

From each of the listings provided, we randomly selected 5 disbursements and performed the procedures below.

- a) Observe whether the disbursement matched the related original itemized invoice, and that supporting documentation indicates deliverables included on the invoice were received by the entity.

No exceptions noted.

- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

The employee responsible for processing payments has access to add/modify vendor files.

F - Credit Cards/Debit Cards/Fuel Cards/P-Cards

- 11. Obtain 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. Obtain management’s representation that the listing is complete.

A listing of cards was provided. No exceptions were noted as a result of performing this procedure.

- 12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

From the listing provided, we randomly selected 5 cards used in the fiscal period. We randomly selected one monthly statement for each of the 5 cards selected and performed the procedures noted below.

- a) Observe whether 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, 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.]]

No exceptions noted.

- b) Observe that finance charges and late fees were not assessed on the selected statements.

For 1 of the 5 monthly selected for tested, a delinquency charge was assessed.

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13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe 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.

We randomly selected 10 transactions for 2 of the 5 cards selected in procedure #12 and all of the transactions (under 10 for the month selected) for 3 of the 5 cards and performed the specified procedures resulting in a total of 27 transactions selected for testing. For 1 of the 27 transactions tested, supporting documentation for a meal purchase did not contain a list of the individuals participating during the meal.

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

14. Obtain 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 select 5 reimbursements, obtain 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:

The listing of travel and travel-related expense reimbursements was provided for the fiscal period. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 5 reimbursements and performed the procedures below.

- a) If reimbursed using a per diem, observe 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).

No exceptions noted.

- a) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

No exceptions noted.

- b) Observe 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 policy (procedure #1h).

No exceptions noted.

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

No exceptions noted.

H - Contracts

15. Obtain 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.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

An active vendor list for the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 5 contracts and performed the procedures below.

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

No exceptions noted.

- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

No exceptions noted.

- c) If the contract was amended (e.g., change order), observe 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, was approval documented).

No exceptions noted.

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

We randomly selected one payment for the 5 contracts selected in procedure #15 and performed the specified procedures. For 1 of the 5 contracts selected for testing, the rate stated on the contractor's invoice was \$35 per hour and the amount actually invoiced was \$40 per hour.

I - Payroll and Personnel

16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

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A listing of employees/elected officials employed during the fiscal year was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 5 employees/officials and performed the specified procedures. No exceptions noted.

17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

We randomly selected 1 pay period during the fiscal period and performed the procedures below for the 5 employees/officials selected in procedure #16.

- a) Observe all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

No exceptions noted.

- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.

No exceptions noted.

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

No exceptions noted.

- d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

No exceptions noted.

18. Obtain 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 select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

A listing of employees/officials receiving termination payments during the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 2 employees/officials and performed the specified procedures. No exceptions were noted as a result of performing this procedure.

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19. Obtain 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.

No exceptions noted.

J - Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above obtain ethics documentation from management, and:

- a) Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

This procedure was not applicable because the Entity is a nonprofit organization.

- b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity’s ethics policy during the fiscal period, as applicable.

This procedure was not applicable because the Entity is a nonprofit organization.

K - Debt Service

21. Obtain a listing of bonds/notes issued during the fiscal period and management’s representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each bond/note issued.

This procedure was not applicable because the Entity is a nonprofit organization.

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management’s representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree 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).

This procedure was not applicable because the Entity is a nonprofit organization.

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L - Fraud Notice

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management’s representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Management represented that there were no misappropriations of assets noted for fiscal year ending June 30, 2022.

24. Observe that 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.

No exceptions noted.

M - Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, **verbally discuss the results with management, and report “We performed the procedure and discussed the results with management.”**

- a) Obtain and inspect 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 observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

We performed the procedure and discussed the results with management.

- b) Obtain and inspect the entity’s most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

We performed the procedure and discussed the results with management.

- c) Obtain a listing of the entity’s computers currently in use and their related locations, and management’s representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates 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.

We performed the procedure and discussed the results with management.

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N - Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

No exceptions noted.

27. Observe 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).

No exceptions noted.

28. Obtain the entity’s annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

- a) Number and percentage of public servants in the agency who have completed the training requirements;
- b) Number of sexual harassment complaints received by the agency;
- c) Number of complaints which resulted in a finding that sexual harassment occurred;
- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e) Amount of time it took to resolve each complaint.

This procedure is not applicable as ReNEW is a nonprofit organization and is not required to file an annual report.

**RENEW – REINVENTING EDUCATION
MANAGEMENT’S RESPONSE AND CORRECTIVE ACTION PLAN
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Schedule B

Management’s corrective action plan

3.b. All ReNEW bank reconciliations are completed by the general ledger accountant. Upon completion, the CEO or CFO prints the reconciliations and initials each. ReNEW management continuously monitors internal controls for staff roles and responsibilities around banking and disbursement functions. However, due to staff limitations the CFO can post ledgers but cannot issue checks. The CEO does have authority to post ledgers and issue check payments.

7.d. ReNEW maintains Cash Collection and Handling policies to safely secure and protect cash and staff. There are instances where a lag time exists between when the Cash Verification Forms are completed upon receipt of the cash and the date the cash is deposited to the bank.

10.b. ReNEW does not restrict the addition of vendors to the vendor list by employees outside of those entering disbursements due to staff limitations. However, ReNEW does employ mitigating control that all disbursements are reviewed by the Controller, CEO, Chief of Talent or Chief of Staff.

12.b. ReNEW maintains monitoring of best practice and policies for timely payment of all payables, including credit card balances and other disbursements.

13. ReNEW has made updates to policies and procedures for staff and team meals and will maintain proper documentation.

15.d. ReNEW acknowledges recent market demands causing rate changes for services. ReNEW will continue to monitor appropriate documentation and support for all service agreements and contracts.