

**BEEKMAN ALUMNI AND FRIENDS, INC.
D/B/A BEEKMAN CHARTER SCHOOL**

FINANCIAL REPORT

JUNE 30, 2022

**BEEKMAN ALUMNI AND FRIENDS, INC.
D/B/A BEEKMAN CHARTER SCHOOL**

FINANCIAL STATEMENTS
JUNE 30, 2022
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DON M. McGEHEE
(A Professional Accounting Corporation)

P.O. Box 1344
205 E. Reynolds Drive, Suite A
Ruston, Louisiana 71273-1344

INDEPENDENT AUDITOR'S REPORT

Board of Directors of the
Beekman Alumni and Friends, Inc.
dba Beekman Charter School
15190 A M Baker Road
Bastrop, Louisiana 71220

Report on the Audit of the Financial Statements

Opinions

I have audited the accompanying financial statements of Beekman Alumni and Friends, Inc., DBA Beekman Charter School (a nonprofit organization), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Beekman Charter School as of June 30, 2022 and 2021, and the changes in 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

I conducted my 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. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Beekman Charter School and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audits. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 Beekman Charter School'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

My 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 my 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*, I:

- 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 the Beekman Charter School'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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Beekman Charter School's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

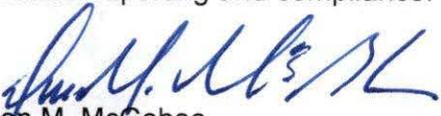
Supplementary Information

My audits were conducted for the purpose of forming opinions on the financial statements as a whole. The accompanying schedule of compensation, benefits, and other payments and 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*, are presented for purposes of additional analysis and are 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 my opinion, the schedule of compensation, benefits, and other payments and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the financial statements as a whole.

My audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Performance and Statistical Data included as Schedules 1 through 2, as required by Louisiana Revised Statute 24:514, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, I do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated December 7, 2022, on my consideration of the Beekman Charter School's internal control over financial reporting and on my 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 my 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 the Beekman Charter School'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 the Beekman Charter School's internal control over financial reporting and compliance.



Don M. McGehee
Certified Public Accountant
December 7, 2022

BEEKMAN ALUMNI AND FRIENDS, INC.
D/B/A BEEKMAN CHARTER SCHOOL
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 3,116,133	\$ 4,631,677
Grants Receivable	1,942,704	269,686
Prepaid Expense	<u>30,082</u>	<u>29,380</u>
TOTAL CURRENT ASSETS	<u>5,088,919</u>	<u>4,930,743</u>
RESTRICTED CASH	358,747	266,622
PROPERTY, PLANT AND EQUIPMENT - NET	<u>4,867,845</u>	<u>2,626,215</u>
TOTAL ASSETS	<u>\$ 10,315,511</u>	<u>\$ 7,823,580</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable	\$ 227,320	\$ 106,561
Retainage Payable	30,063	0
Accrued Payroll and Related Amounts	964,859	962,177
Due to Others	42,417	42,417
Current Portion of Long-Term Debt	63,265	178,547
Accrued Interest Payable	4	55
Current Portion of Compensated Absences	25,980	36,443
Current Liabilities payable from Restricted Cash		
Accounts Payable	<u>1,289</u>	<u>0</u>
TOTAL CURRENT LIABILITIES	<u>1,355,197</u>	<u>1,326,200</u>
LONG-TERM DEBT (Less Current Portion)	0	63,053
COMPENSATED ABSENCES LIABILITY	<u>287,590</u>	<u>318,512</u>
TOTAL LIABILITIES	<u>1,642,787</u>	<u>1,707,765</u>
NET ASSETS		
Without Donor Restrictions		
Undesignated	8,315,266	5,849,193
With Donor Restrictions	<u>357,458</u>	<u>266,622</u>
TOTAL NET ASSETS	<u>8,672,724</u>	<u>6,115,815</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 10,315,511</u>	<u>\$ 7,823,580</u>

See accompanying notes to financial statements.

BEEKMAN ALUMNI AND FRIENDS, INC.
D/B/A BEEKMAN CHARTER SCHOOL
STATEMENT OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS:		
SUPPORT AND REVENUES		
Grants		
State Minimum Foundation Program	\$ 6,180,452	\$ 5,991,808
Local Minimum Foundation Program	3,626,444	3,142,005
Federal Grant	2,429,163	293,449
Student Activity Revenue	6,349	18,609
Fee Revenue	1,200	150
Interest Income	0	5,496
Other	<u>25,228</u>	<u>1,541</u>
TOTAL REVENUES WITHOUT DONOR RESTRICTIONS	<u>12,268,836</u>	<u>9,453,058</u>
Net Assets Released from Restrictions	<u>4,858</u>	<u>4,356</u>
TOTAL REVENUES AND OTHER CHANGES WITHOUT DONOR RESTRICTIONS	<u>12,273,694</u>	<u>9,457,414</u>
EXPENSES		
Program Services		
Instruction		
Regular Education Programs	4,858,920	4,128,053
Special Education Programs	408,143	395,951
Career and Technical Education Programs	84,021	79,001
Other Programs	384,977	367,145
Special Programs	113,136	104,488
Pupil Support Services	271,946	243,650
Instructional Staff Services	324,243	267,146
Operation and Maintenance of Plant Services	1,066,180	841,751
Student Transportation Services	758,561	698,329
Management and General		
General Administration	361,390	383,213
School Administration	476,765	440,876
Business Services	179,254	190,498
Central Services	515,227	142,955
Scholarships	<u>4,858</u>	<u>4,356</u>
TOTAL EXPENSES	<u>9,807,621</u>	<u>8,287,412</u>
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>2,466,073</u>	<u>1,170,002</u>
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS:		
School Activity Funds	92,323	30,248
Contributions for Scholarships	3,371	2,284
Net Assets Released from Restrictions	<u>(4,858)</u>	<u>(4,356)</u>
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS	<u>90,836</u>	<u>28,176</u>
CHANGE IN NET ASSETS	2,556,909	1,198,178
NET ASSETS AT BEGINNING OF YEAR	<u>6,115,815</u>	<u>4,917,637</u>
NET ASSETS AT END OF YEAR	<u>\$ 8,672,724</u>	<u>\$ 6,115,815</u>

See accompanying notes to financial statements.

BEEKMAN ALUMNI AND FRIENDS, INC.
D/B/A BEEKMAN CHARTER SCHOOL
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Government and Others	\$ 10,691,513	\$ 9,214,316
Cash Payments for Goods and Services	(4,761,361)	(3,933,008)
Cash Payments to Employees	(4,751,602)	(4,157,621)
Interest Received	0	7,554
Interest Paid	(6,801)	(18,461)
Net Cash Provided by Operating Activities	1,171,749	1,112,780
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(84,916)	(294,745)
Construction of Cafeteria Renovations	(857,691)	0
Construction of Playground	(208,528)	0
Construction of Outdoor Classroom	(77,975)	0
Construction of Agriculture, Art, and Maintenance Building	(67,661)	0
Improvements to the Football Field	(1,120,062)	0
Proceeds from Sale of Investments	0	604,315
Net Cash Provided (Used) by Investing Activities	(2,416,833)	309,570
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal Payments on Long-Term Debt	(178,335)	(395,318)
Net Cash Used by Financing Activities	(178,335)	(395,318)
NET INCREASE (DECREASE) IN CASH	(1,423,419)	1,027,032
CASH AT BEGINNING OF YEAR	4,898,299	3,871,267
CASH AT END OF YEAR	\$ 3,474,880	\$ 4,898,299
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Change in Net Assets	\$ 2,556,909	\$ 1,198,178
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	175,202	157,941
(Increase) Decrease in Grant Receivables	(1,673,018)	(269,686)
(Increase) Decrease in Promises to Give	0	3,908
(Increase) Decrease in Interest Receivable	0	2,058
(Increase) Decrease in Prepaid Expenses	(701)	3,213
Increase (Decrease) in Accounts Payable	122,048	(9,463)
Increase (Decrease) in Accrued Liabilities	3,088	38,735
Increase (Decrease) in Due to Others	0	17,943
Increase (Decrease) in Retainage Payable	30,063	0
Increase (Decrease) in Accrued Interest Payable	(51)	(304)
Increase (Decrease) in Salaries Payable	(407)	(32,694)
Increase (Decrease) in Compensated Absences	(41,385)	2,951
Total Adjustments	(1,385,161)	(85,398)
Net Cash Provided by Operating Activities	\$ 1,171,748	\$ 1,112,780
CASH PER STATEMENT OF FINANCIAL POSITION:		
Current Cash	\$ 3,116,133	\$ 4,631,677
Restricted Cash	358,747	266,622
TOTAL CASH AT END OF YEAR	\$ 3,474,880	\$ 4,898,299

See accompanying notes to financial statements.

BEEKMAN ALUMNI AND FRIENDS, INC.
D/B/A BEEKMAN CHARTER SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

Beekman Alumni and Friends, Inc., was incorporated on May 29, 2012, under the provisions of Title 12, Chapter 1, 2, and 3, of the Louisiana Revised Statutes. On May 9, 2013, the State of Louisiana approved their application for the trade name Beekman Charter School (the "School"). The School is exclusively for educational purposes with respect to operating Beekman Charter School in Morehouse Parish, Louisiana. The School is supported primarily through the Minimum Foundation Program (MFP) funded by the State of Louisiana and the Morehouse Parish School Board. This support is based on the number of eligible students in attendance on the School's official pupil count day each year. The MFP revenue for the year ended June 30, 2022, accounts for 80% of the School's total support.

The Morehouse Parish School Board (MPSB) approved the granting of a charter to the School effective July 1, 2013, for a period of five years contingent upon an evaluation following the third year of operation based on site visits, annual performance reports, and any information MPSB deemed relevant and necessary as provided in Louisiana R.S. 17:3992 and 3998(A)(2), pursuant to MPSB policy and BESE Bulletin 126. Terms of the approval also provided the charter contract may be renewed at the discretion of MPSB at the expiration of the initial five year term, June 30, 2018, pursuant to applicable provisions of Title 17, Chapter 42, of the Louisiana Revised Statutes and MPSB and BESE policy. MPSB renewed and extended the charter for a period of ten years, through June 30, 2028. The School is a Type 3 Charter School, as defined in Louisiana R.S. 17:3973(3)(b).

The School files an information return for organizations exempt from Federal Income tax under the provisions of section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as a public charity. If the School loses the exempt status, any income in future years could be taxed at normal corporate rates.

A summary of the School's significant accounting policies consistently applied in the preparation of the financial statements follows:

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements of the School are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Income is recognized when earned and expenses are recognized when incurred.

FINANCIAL STATEMENT PRESENTATION

The School follows the guidance of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, as updated by ASU 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. Under FASB ASU 2016-14, the School is required to report information regarding its financial position and activities according to two classes of net assets:

Net Assets Without Donor Restrictions - Net assets not subject to donor-imposed restrictions. Some unrestricted net assets may be designated by the board of directors of the School for specific purposes.

Net Assets With Donor Restrictions - Net assets subject to a donor-imposed restriction that is a donor stipulation for the use of a contributed asset that is more specific than the broad limits resulting from the School's nature, environment, and purpose.

BEEKMAN ALUMNI AND FRIENDS, INC.
D/B/A BEEKMAN CHARTER SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CASH

Cash, which is held in interest bearing and non-interest bearing demand deposit accounts, consisted of both unrestricted and restricted balances. Unrestricted cash balances represent cash available for general operating purposes. Restricted cash balances consist of amounts credited to the School's bank accounts from donations received from individuals or entities who specified the use of the contribution.

The School classifies all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

RECEIVABLES

Receivables are stated at the amount management expects to collect from outstanding balances. Management believes all receivables are collectible and therefore has not recognized a provision for doubtful accounts. The school received government grants to fund programs and operations. The grants are reimbursement based and grants receivable at the year end are stated at unpaid balances for expenditures incurred during the year.

DUE TO OTHERS

Due to others are funds due to the Morehouse Parish School Board for reimbursement of services provided according to a shared services agreement.

CONTRIBUTION AND REVENUE RECOGNITION

Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions.

All donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Revenues from federal and state grants are recorded when the School has a right to reimbursement under the grant, generally corresponding to the incurring of grant related costs of the School, or when earned under the terms of the grants. An accrual is made when eligible expenses are incurred.

The School's primary source of funding is through the Minimum Foundation Program (MFP) funded by the State of Louisiana Public School Fund (the State) and the Morehouse Parish School Board (MPSB). The funding the School receives is determined on an annual basis based on the number of pupils enrolled as of October 1st of each year. The State funded per pupil allocation is based on the most recently approved minimum foundation program formula resolution. The MPSB's funded per pupil allocation from sales tax revenues, ad valorem taxes, and other sources is determined by the relationship of the number of pupils in the School versus total pupils in the MPSB's system.

BEEKMAN ALUMNI AND FRIENDS, INC.
D/B/A BEEKMAN CHARTER SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PROMISES TO GIVE

Contributions are recognized when the donor makes a promise to give to the School that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

The School uses the allowance method to determine uncollectible promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

PROPERTY, PLANT, AND EQUIPMENT

Acquisitions of property, plant, and equipment in excess of \$5,000 are capitalized. Property, plant, and equipment are stated at cost. Assets donated are carried at the fair market value on the date of the donation, net of accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful life of the asset or for leasehold improvements the shorter of the estimated useful life or of the lease term. Interest incurred during the construction period is reflected in the capitalized value of the asset constructed.

PREPAID EXPENSES

Payments made to insurance companies for insurance coverage beyond the current accounting period are recorded as prepaid items in the asset section of the balance sheet. Also, payments made as deposits for services that have not yet been provided in the current accounting period are recorded as prepaid items.

INCOME TAXES

The School's Forms 990, Return of Organization Exempt from Income Tax, for the year ending in 2021, 2020, and 2019 were filed with the Internal Revenue Service. As of December 7, 2022, the School had not filed its tax return for the year ending in 2022. The School's tax filings are subject to examination by the IRS, generally for three years after they are filed.

COMPENSATED ABSENCES

All twelve month employees can earn a maximum of twelve days of vacation leave each year, at a rate of one day per month awarded in six month intervals. Vacation can be accumulated up to ten days per year limited to a maximum of twenty-two days. Accumulated or vested benefits relating to vacation leave are accrued at year end. At June 30, 2022 and 2021, the School had compensated absences of \$46,753 and \$33,485, respectively, related to vacation leave, which is reported as a liability in the Statement of Financial Position combined with sick leave, as noted below.

All twelve month employees earn twelve days of sick leave each year, of which two days can be used for personal leave. Nine month employees also earn ten days of sick leave each year with two available for personal leave. Sick leave can be accumulated. Upon retirement or death, unused accumulated sick leave or up to 25 days is paid to the employee or to the employee's estate at the employee's current rate of pay. Under the Louisiana Teachers' Retirement System and the Louisiana School Employees' Retirement System, all unpaid sick leave is used in the retirement benefit computation as earned service.

BEEKMAN ALUMNI AND FRIENDS, INC.
D/B/A BEEKMAN CHARTER SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated absences are accrued as a liability when the employees' right to receive compensation is attributable to service already rendered, the compensation rights vest or accumulate, the compensation payment is probable, and the amount can be reasonably estimated. Based on this criteria, the School accrues earned sick leave for those employees who currently are eligible to receive termination payments, as well as other employees who have at least ten years of service. At June 30, 2022, the School accrued \$266,817 as compensated absences related to sick leave, which is reported as a liability in the Statement of Financial Position combined with vacation leave of \$46,753 for a total of \$313,570, of which the current portion was determined to be \$25,980.

NOTE 2 - CASH

At June 30, 2022 and 2021, the carrying amount of cash was \$3,474,880 and \$4,898,299, respectively, which approximates market value. The School's bank balances per the banks totaled \$4,164,139 and \$5,185,713, respectively. The School's bank balances at June 30, 2022 and 2021 were collateralized by Federal Depository Insurance of \$252,726 and \$252,792, respectively, with \$3,911,413 and \$4,932,921, respectively, uncollateralized. At June 30, 2022 and 2021, the uncollateralized deposits had \$3,911,413 and \$4,932,921, respectively, of pledged securities held by a custodial bank in the name of the fiscal agent bank.

NOTE 3 - GRANTS RECEIVABLES

At June 30, 2022 and 2021, grant receivables totaled \$1,942,704 and \$269,686, respectively, which was for the balance of funds due from the Morehouse Parish School Board for grants passed through them to the School.

NOTE 4 - PROPERTY, PLANT, AND EQUIPMENT

Effective July 1, 2013, the School entered into an agreement with the Morehouse Parish School Board (MPSB), allowing the School to use the MPSB's facilities and contents located at 15190 A.M. Baker Road, Bastrop, Louisiana 71220. The agreement expired June 30, 2018, but the MPSB granted an extension for an additional ten years through June 30, 2028. The School pays an annual lease of \$1,200 according to the agreement. The School 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.

BEEKMAN ALUMNI AND FRIENDS, INC.
D/B/A BEEKMAN CHARTER SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 4 - PROPERTY, PLANT, AND EQUIPMENT (CONTINUED)

Any use of the property that would be considered donated is not recorded as an in-kind contribution from the MPSB. The value of the property is not readily determinable. The agreement is classified as an exchange transaction because both parties receive significant value from this arrangement. Accordingly, the present value of the benefit to be received in future years has not been recorded.

Any assets acquired by the School are the property of the School for the duration of their charter agreement with the Morehouse Parish School Board. If the charter is revoked or surrendered or the school otherwise ceases to operate, all assets purchased with public funds shall automatically revert to full ownership by the Morehouse Parish School Board. The School must maintain records of any assets acquired with private funds that will remain the property of the School.

There were some asset acquisitions by the School which have met or exceeded the School's \$5,000 capitalization policy, and leasehold improvements which were amortized over the term of the lease, as shown below:

<u>CLASS</u>	<u>DEPRECIATION LIFE RANGE</u>	<u>2022</u>	<u>2021</u>
Leasehold Improvements	2 - 10 Yrs.	\$ 812,997	\$ 812,997
Buildings	10 - 40 Yrs.	1,809,852	1,795,352
Equipment	5 - 12 Yrs.	<u>708,973</u>	<u>638,558</u>
Total		3,331,822	3,246,907
Less: Accumulated Amortization and Depreciation		(908,614)	(733,412)
Land		112,720	112,720
Construction In Progress		<u>2,331,917</u>	<u>0</u>
Net Fixed Assets		<u>\$ 4,867,845</u>	<u>\$ 2,626,215</u>

NOTE 5 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of June 30, 2022 and 2021 are related to funds raised for student activity funds, scholarship funds, and payment of long-term debt. None of the net assets with donor restrictions at June 30, 2022 or 2021 are time-restricted by donors. Net assets with donor restrictions are available for the following purposes, as of June 30:

	<u>2022</u>	<u>2021</u>
Student Activities Funds	\$ 275,157	\$ 182,834
Scholarship Funds	<u>82,301</u>	<u>83,788</u>
Total	<u>\$ 357,458</u>	<u>\$ 266,622</u>

BEEKMAN ALUMNI AND FRIENDS, INC.
D/B/A BEEKMAN CHARTER SCHOOL
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

NOTE 6 - LONG TERM DEBT

Long term debt at June 30, 2022 is as follows:

	<u>2022</u>	<u>2021</u>
4.6% loan payable to Bancorp South Bank, approved for \$600,000 with the proceeds being drawn to pay construction costs and other amounts needed. The note is due in monthly installments of \$11,230 (including principal and interest) with the final payment due January 28, 2023.	\$ 59,075	\$ 187,766
2.3% note payable to Louisiana Public Facilities Authority, due in 60 monthly installments of \$4,198 (including principal and interest) to July, 2022, secured by revenues.	4,190	53,834
Total Long Term Debt	63,265	241,600
Less: Current Maturities	(63,265)	(178,547)
Long Term Debt, Net of Current Maturities	\$ 0	\$ 63,053

The annual debt service requirements to maturity for all debt outstanding as of June 30, 2022, is as follows:

	Bancorp Loans		Louisiana Public Facility Authority Loan		Total
	Principal	Interest	Principal	Interest	
2023	\$ 59,075	\$ 713	\$ 4,190	8	63,986

Interest expense on long-term debt for the year ending June 30, 2022 and 2021 was \$6,750 and \$18,157, respectively.

NOTE 7 - RETIREMENT PLANS

Substantially all full-time employees of the School participate in the Teachers' Retirement System of Louisiana ("TRSL"). The TRSL is a cost sharing, multiple-employer defined benefit plan. This plan provides retirement and disability benefits, permanent benefit increases, and death benefits to plan members and beneficiaries. The TRSL issues publicly available financial reports that include financial statements and required supplementary information for the TRSL. The report may be obtained by writing the Teachers' Retirement System of Louisiana, P.O. Box 94123, Baton Rouge, LA 70804-9123 or on the website www.trsl.org.

The risks of participating in a multiemployer plan is different from single employer plans. Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers. If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers. If the School chooses to stop participating it may be required to pay the plan an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

BEEKMAN ALUMNI AND FRIENDS, INC.
D/B/A BEEKMAN CHARTER SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 7 - RETIREMENT PLANS (continued)

TRSL is a component unit of the State of Louisiana and presents its financial information based on Governmental Accounting Standards. According to the financial report for the year ending June 30, 2021 (the most recent available), the actuarial funded ratio for funding purposes was 71.8% compared to 67.9% for 2020. TRSL had 196 employers participating in the plan with the School's employer allocation percentage at .08016%.

The employee of the school who is a member of the Optional Retirement Plan (ORP) became a member of this plan prior to employment with the school and has remained a participant in the ORP. The ORP is a defined contribution plan administered by TRSL. The ORP was created by Louisiana Revised Statute 11:921 and implemented on July 1, 1990. This plan was designed to provide certain academic and unclassified employees of public institutions of higher education an optional method of funding for their retirement. The ORP provides for portability of assets and full and immediate vesting of all contributions submitted on behalf of the participating employees to approved providers.

Participants in TRSL vest immediately in employee contributions to the plans. Retirement benefits vest after five years of service if the employee reaches age sixty; otherwise, benefits vest after twenty years of service. Benefits are established and amended by state statute. For the year ended June 30, 2022 and 2021, participants were required to contribute 8% of their annual covered payroll to the plan and the School was required to contribute 25.2% and 25.8%, respectively, of the annual covered payroll for each participating employee. These contribution levels are established by law and set by the Public Retirement Systems Actuarial Committee. For the year ended June 30, 2022 and 2021, the School contributions to this plan were \$1,123,207 and \$1,010,755, respectively, equal to the required contributions for the year.

During the year ended June 30, 2022 and 2021, the ORP participant contributed 8% of salary and the School was required to contribute 27.7% and 28%, respectively, of their annual covered payroll. The School contributions to this plan for the year ended June 30, 2022 and 2021 were \$19,639 and \$12,811, respectively, equal to the required contributions for the year.

NOTE 8 - RETAINAGE PAYABLE

During 2022, the School began construction on renovations of the cafeteria. As of June 30, 2022, all contract requests for payment associated with this project had been paid to date, but a 5% retainage amount of \$30,063 was outstanding. This project is expected to be complete and the retainage paid within the next year.

BEEKMAN ALUMNI AND FRIENDS, INC.
D/B/A BEEKMAN CHARTER SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 - LEASE AGREEMENTS

The School leases portable classrooms and other buildings to provide adequate space for school operations. The leases include a delivery and installment fee for the buildings, monthly lease payments, and a tear down and return freight charge at the end of the lease. Most of the agreements were for thirty-six monthly lease payments, beginning August 13, 2013, with month to month renewal options at the lease terminations. The School chose to exercise the options to lease the buildings on a month-to-month basis past their initial lease term and plan to continue the leases until the structures are no longer needed, at which time the School will pay tear down and return freight costs on the leased buildings according to the lease agreement. A double classroom was obtained August 22, 2016, which included delivery and installment fees, monthly lease payments on a month-to-month basis, and a tear down and return freight fee at the end of the lease. Two doublewide classrooms were obtained July 10, 2017, which included delivery and installment fees with monthly lease payments on a month-to-month basis. Current year lease expense on these portable buildings was \$73,966. The future minimum lease payments as of June 30, 2022 were \$25,420.

The School also has a lease agreement with MPSB, as described in Note 4 above.

NOTE 10 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the School's financial assets as of the balance sheet, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date as of June 30:

	2022	2021
Cash at Year End	\$ 3,474,880	\$ 4,898,299
Grants Receivable	<u>1,942,704</u>	<u>269,686</u>
Total	5,417,584	5,167,985
Less: Amounts Unavailable for General Expenditures within One Year, Due to:		
Donor-restricted to payment of long-term debt	0	0
Donor-restricted to payment of scholarships	(82,301)	(83,788)
Donor-restricted to specific school activities	<u>(275,157)</u>	<u>(182,834)</u>
Financial Assets Available to Meet Cash Needs for General Expenditures within One Year	<u>\$ 5,060,126</u>	<u>\$ 4,901,363</u>

The School prepares an annual budget that is approved by the Board Members for the upcoming year. Budget versus actual comparisons are presented at each monthly board meeting and reviewed by the Board. Cash flow is monitored by management on a daily basis.

BEEKMAN ALUMNI AND FRIENDS, INC.
D/B/A BEEKMAN CHARTER SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 11 - FUNCTIONAL EXPENSES

The cost of providing various services have been summarized on a functional basis between program services and supporting services. Certain costs have been allocated among program services and supporting services. Salaries and benefits are allocated based on the time and effort expended between program and supporting services. A schedule of functional expenses for the year ended June 30, 2022, with comparative totals for the year ended June 30, 2021, is shown below:

	<u>Program Services</u>	<u>Supporting Services</u>	<u>2022 Total</u>	<u>2021 Total</u>
	Charter School	Management and General		
Salaries	\$ 4,152,028	\$ 599,168	\$ 4,751,196	\$ 4,124,927
Employee Benefits and Payroll Taxes	1,806,665	209,938	2,016,603	1,852,531
Student Transportation	738,916	0	738,916	679,748
Repairs and Maintenance	424,770	33,174	457,944	355,370
Materials and Supplies	589,850	266,324	856,174	285,323
Administrative Services	0	203,230	203,230	189,376
Professional Services	42,800	106,375	149,175	124,532
Utilities	190,536	0	190,536	160,492
Depreciation and Amortization	171,682	0	171,682	157,941
Insurance	65,612	85,786	151,398	140,456
Rent	125,100	0	125,100	108,205
Other Services	9,802	0	9,802	52,219
Travel	11,554	4,240	15,794	5,655
Scholarships	4,858	0	4,858	4,356
Interest Expense	0	6,750	6,750	18,157
Miscellaneous	<u>6,158</u>	<u>19,201</u>	<u>25,359</u>	<u>28,124</u>
Total Expenses	<u>\$ 8,340,331</u>	<u>\$ 1,534,186</u>	<u>\$ 9,874,517</u>	<u>\$ 8,287,412</u>

NOTE 12 - COMMITMENTS

In 2022, the School committed to contracts related to two construction projects. As of June 30, 2022, the remaining commitment on these contracts is as follows:

	<u>Charges Incurred</u>	<u>Remaining Commitment</u>
Cafeteria Renovations		
Gentry Construction, Inc.	\$ 601,263	\$ 2,503,186
Timothy M. Brandon Architect, APC	202,980	35,820
Agriculture, Arts, and Maintenance Building		
Timothy M. Brandon Architect, APC	<u>61,161</u>	<u>24,379</u>
Totals	<u>\$ 865,404</u>	<u>\$ 2,563,385</u>

After year end, the School approved additional change orders on the cafeteria renovations, increasing the Gentry Construction contract by \$8,340. On September 6, 2022, a construction contract was awarded to Gentry Construction, Inc. for the agriculture, arts, and maintenance building project for \$1,840,000.

BEEKMAN ALUMNI AND FRIENDS, INC.
D/B/A BEEKMAN CHARTER SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 13 - EVALUATION OF SUBSEQUENT EVENTS

The School has evaluated subsequent events through December 7, 2022, the date which the financial statements were available to be issued.

NOTE 14 - RECENT ACCOUNTING PRONOUNCEMENT NOT YET ADOPTED

In February 2016, the FASB issued ASU 2016-02, "Leases (Topic 842)." ASU 2016-02 establishes a right-of-use (ROU) model that requires a lessee to record a ROU asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. The new standard is effective for fiscal years beginning after December 15, 2021. A modified retrospective transition approach is required for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, which certain practical expedients available. Beekman Charter School is currently evaluating the impact of adopting the new leases standard on its financial statements.

OTHER REPORTS AND SCHEDULES

DON M. McGEHEE
(A Professional Accounting Corporation)

P.O. Box 1344
205 E. Reynolds Drive, Suite A
Ruston, Louisiana 71273-1344

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

Board of Directors of the
Beekman Alumni and Friends, Inc.
dba Beekman Charter School
15190 A M Baker Road
Bastrop, Louisiana 71220

I have audited, 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, the financial statements of Beekman Charter School (a non-profit organization), which comprise the statements 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 my report thereon dated December 7, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered Beekman Charter School'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 my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Beekman Charter School's internal control. Accordingly, I do not express an opinion on the effectiveness of the Beekman Charter School'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.

My 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 my audit I did not identify any deficiencies in internal control that I 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 Beekman Charter School's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my 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 my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Beekman Charter School'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 School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Don M. McGehee
Certified Public Accountant
December 7, 2022

DON M. McGEHEE
(A Professional Accounting Corporation)

P.O. Box 1344
205 E. Reynolds Drive, Suite A
Ruston, Louisiana 71273-1344

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

Board of Directors of the
Beekman Alumni and Friends, Inc.
dba Beekman Charter School
15190 A M Baker Road
Bastrop, Louisiana 71220

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

I have audited Beekman Charter School'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 Beekman Charter School's major federal programs for the year ended June 30, 2022. Beekman Charter School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In my opinion, Beekman Charter School 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

I conducted my 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 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). My responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of my report.

I am required to be independent of Beekman Charter School and to meet my other ethical responsibilities, in accordance with relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion on compliance for each major federal program. My audit does not provide a legal determination of Beekman Charter School'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 Beekman Charter School's federal programs.

Auditor's Responsibilities for the Audit of Compliance

My 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 Beekman Charter School's compliance based on my 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, *Governmental 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 threat 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 Beekman Charter School'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, I:

- 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 Beekman Charter School's compliance with the compliance requirements referred to above and performing such other procedures as I considered necessary in the circumstances.
- Obtain an understanding of Beekman Charter School'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 Beekman Charter School's internal control over compliance. Accordingly, no such opinion is expressed.

I am 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 I have identified during the audit.

Other Matters

The results of my auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance. My opinion on each major federal program is not modified with respect to these matters.

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.

My 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 my audit I did not identify any deficiencies in internal control over compliance that I 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.

My 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 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.



Don M. McGehee
Certified Public Accountant
December 7, 2022

BEEKMAN ALUMNI AND FRIENDS, INC.
D/B/A BEEKMAN CHARTER SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

Section 1 - Summary of Auditor Results

1. Financial Statements

The auditor's report expresses an unmodified opinion on whether the financial statements of Beekman Charter School were prepared in accordance with GAAP.

2. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses Yes No Significant Deficiencies Yes No

Compliance

Compliance Material to Financial Statements Yes No

3. Federal Awards

Internal Controls Over Major Programs

Material Weaknesses Yes No Significant Deficiencies Yes No

The auditor's report issued on compliance for major federal award programs for Beekman Charter School expresses an unmodified opinion on all major federal programs.

Are their audit findings that are required to be reported in accordance with 2 CFR section 200.516(a) in this schedule?

Yes No

4. Identification of Programs Tested as Major Programs

CFDA No. 84.425 - United States Department of Education, Education Stabilization Fund, under the Coronavirus Aid, Relief, and Economic Security Act and the American Rescue Plan

Dollar threshold used to distinguish between Type A and Type B Programs: \$750,000

Is the auditee qualified as a "low-risk" auditee? Yes No

Section 2 - Findings - Internal Control Over Financial Reporting and on Compliance and Other Matters Material to the Financial Statements

No current year findings.

Section 3 - Findings and Questioned Costs - Major Federal Award Programs

Department of Education - Education Stabilization Fund

No current year findings or questioned costs related to internal control and compliance material to federal awards.

**BEEKMAN ALUMNI AND FRIENDS, INC.
D/B/A BEEKMAN CHARTER SCHOOL
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2022**

Section 1 - Findings - Financial Statements Audit

No findings.

Section 2 - Findings and Questioned Costs - Major Federal Award Programs Audit

Department of Education - Education Stabilization Funds

A federal awards program audit was not required in the prior year, therefore there are no prior year findings.

**BEEKMAN ALUMNI AND FRIENDS, INC.
D/B/A BEEKMAN CHARTER SCHOOL
MANAGEMENT'S CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2022**

The findings from the Schedule of Findings and Questioned Costs for the year ended June 30, 2022, are discussed below with management's response for a corrective action plan.

Section 1 - Findings - Financial Statements Audit

No current year findings.

Section 2 - Findings and Questioned Costs - Major Federal Award Programs Audit

Department of Education - Education Stabilization Funds

No current year findings.

BEEKMAN ALUMNI AND FRIENDS, INC.
D/B/A BEEKMAN CHARTER SCHOOL
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2022

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM OR CLUSTER TITLE	FEDERAL ASSISTANCE LISTING NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	PASS-THROUGH TO SUBRECIPIENTS	TOTAL FEDERAL EXPENDITURES
U.S. Department of Education:				
<i>Pass-through Programs from</i>				
<i>Louisiana Department of Education--</i>				
<i>Morehouse Parish:</i>				
Title I Grants to Local Educational Agencies	84.010A	None	\$ -	\$ 3,790
Special Education-Grants to States (IDEA, Part B 611)	84.027A	None	-	602
Education Stabilization Fund				
COVID-19--Elementary and Secondary School Emergency Relief Fund	84.425D	None	-	1,608,000
COVID-19--American Rescue Plan- Elementary and Secondary School Emergency Relief Fund	84.425U	None	-	816,771
Total Education Stabilization Fund			<u>-</u>	<u>2,424,771</u>
Total U.S. Department of Education			<u>-</u>	<u>2,429,163</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 0</u>	<u>\$ 2,429,163</u>

BEEKMAN ALUMNI AND FRIENDS, INC.
D/B/A BEEKMAN CHARTER SCHOOL
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Beekman Charter School 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 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 Beekman Charter School, it is not intended and does not present the financial position, changes in net assets, or cash flows of Beekman Charter School.

NOTE B - 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.

NOTE C - INDIRECT COST RATE

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

BEEKMAN ALUMNI AND FRIENDS, INC.
D/B/A BEEKMAN CHARTER SCHOOL
SCHEDULE OF COMPENSATION, BENEFITS AND
OTHER PAYMENTS TO THE BEEKMAN CHARTER SCHOOL
BOARD PRESIDENT AND PRINCIPAL
FOR THE YEAR ENDED JUNE 30, 2022

Beekman Charter School Principal Emily Myrick:

	<u>Purpose</u>	<u>Amount</u>
Salary		\$ 110,739
Benefits-Retirement		27,906
Benefits-Health Insurance		3,109

**PERFORMANCE AND STATISTICAL DATA
SCHEDULES REQUIRED BY STATE LAW**

DON M. McGEHEE
(A Professional Accounting Corporation)

P.O. Box 1344
205 E. Reynolds Drive, Suite A
Ruston, Louisiana 71273-1344

INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES

Board of Directors of the
Beekman Charter School
Louisiana Department of Education, and
Louisiana Legislative Auditor

I have performed the procedures enumerated below, which were agreed to by the management of the Beekman Charter School, the Louisiana Department of Education, and the Louisiana Legislative Auditor on the performance and statistical data accompanying the annual financial statements of the Beekman Charter School for the fiscal year ended June 30, 2022; and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE) Bulletin 126, in compliance with Louisiana Revised Statute 24:514 I. Management of the Beekman Charter School is responsible for its performance and statistical data. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, I make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

My procedures and associated findings are as follows:

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

1. I selected a random sample of 25 transactions and reviewed supporting documentation to observe that the sampled expenditures/revenues are classified correctly and are reported in the proper amounts among the following amounts reported on Schedule 1 on page 34:

- 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

No exceptions found.

Class Size Characteristics (Schedule 2)

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

No exceptions found.

Education Levels/Experience of Public School Staff (NO SCHEDULE)

3. I 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 experience, and obtained management's representation that the data/listing was complete. I then selected a sample of 25 individuals and traced to each individual's personnel file to observe that each individual's education level and experience was properly classified in the PEP data or equivalent listing prepared by management.

In the sample of 25 individuals selected, the education level was properly classified in the PEP data for all 25 individuals selected. The experience were properly classified in the PEP data for nineteen individuals with six individuals' experience incorrectly classified in the PEP data.

Management's Response: The individuals' experience which were incorrectly classified in the PEP data were off by one year in all instances except one. These type errors were found in the prior year audit, but the October 1st PEP data had already been prepared. Most of the errors were corrected in the June PEP report and the others will be corrected in the next June PEP report.

Public School Staff Data: Average Salaries (NO SCHEDULE)

4. I 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. I then selected a sample of 25 individuals and traced to each individual's personnel file to observe that each individual's salary, extra compensation, and full-time equivalents were properly included on the PEP data (or equivalent listing prepared by management).

No exceptions found.

This agreed-upon procedures engagement was performed 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. I was 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, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

PAGE THREE

The purpose of this report is solely to describe the scope of testing performed on the performance and statistical data accompanying the annual financial statements of the Beekman Charter School, as required by Louisiana Revised Statute 24:514.1, 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.

Don M. McGehee
Certified Public Accountant
December 7, 2022

**BEEKMAN ALUMNI AND FRIENDS, INC.
D/B/A BEEKMAN CHARTER SCHOOL
Bastrop, Louisiana
Schedules Required by State Law
(R.S. 24:514 - Performance and Statistical Data)
As of and For the Year Ended June 30, 2022**

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

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 - 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.

**BEEKMAN ALUMNI AND FRIENDS, INC.
D/B/A BEEKMAN CHARTER SCHOOL
Bastrop, Louisiana
General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2022**

Schedule 1

	Column A	Column B
<u>General Fund Instructional and Equipment Expenditures:</u>		
General Fund Instructional Expenditures:		
Teacher and Student Interaction Activities:		
Classroom Teacher Salaries	\$ 3,014,169	
Other Instructional Staff Activities	185,688	
Instructional Staff Employee Benefits	1,570,506	
Purchased Professional and Technical Services	8,000	
Instructional Materials and Supplies	137,574	
Instructional Equipment	<u>70,416</u>	
Total Teacher and Student Interaction Activities		\$ 4,986,353
Other Instructional Activities		73,124
Pupil Support Services	268,147	
Less: Equipment for Pupil Support Services	<u>0</u>	
Net Pupil Support Services		268,147
Instructional Staff Services	274,875	
Less: Equipment for Instructional Staff Services	<u>0</u>	
Net Instructional Staff Services		274,875
School Administration	469,166	
Less: Equipment for School Administration	<u>0</u>	
Net School Administration		<u>469,166</u>
Total General Fund Instructional Expenditures (Total of Column B)		\$ <u>6,071,665</u>
Total General Fund Equipment Expenditures (Object 730; Function Series 1000-4000)		\$ <u>70,416</u>
<u>Certain Local Revenue Sources</u>		
Local Taxation Revenue:		
Constitutional Ad Valorem Taxes		0
Renewable Ad Valorem Tax		0
Debt Service Ad Valorem Tax		0
Up to 1% of Collections by Sheriff on Taxes Other than School Taxes		0
Sales and Use Taxes		<u>0</u>
Total Local Taxation Revenue		<u>\$ 0</u>
Local Earnings on Investment in Real Property:		
Earnings from 16th Section Property		0
Earnings from Other Real Property		<u>0</u>
Total Local Earnings on Investment in Real Property		<u>\$ 0</u>
State Revenue in Lieu of Taxes:		
Revenue Sharing-Constitutional Tax		0
Revenue Sharing-Other Taxes		0
Revenue Sharing-Excess Portion		0
Other Revenue in Lieu of Taxes		<u>0</u>
Total State Revenue in Lieu of Taxes		<u>\$ 0</u>
Nonpublic Textbook Revenue		<u>\$ 0</u>
Nonpublic Transportation Revenue		<u>\$ 0</u>

BEEKMAN ALUMNI AND FRIENDS, INC.
D/B/A BEEKMAN CHARTER SCHOOL
Bastrop, Louisiana
Class Size Characteristics
As of October 1, 2021

Schedule 2

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary								
Elementary Activity Classes								
Middle/Jr. High								
Middle/Jr. High Activity Classes								
High								
High Activity Classes								
Combination	69%	249	28.5%	103			2.5%	9
Combination Activity Classes	80.6%	79	13.3%	13			6.1%	6

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.

**BEEKMAN ALUMNI AND FRIENDS, INC.
D/B/A BEEKMAN CHARTER SCHOOL**

STATEWIDE AGREED-UPON PROCEDURES

JUNE 30, 2022

DON M. McGEHEE
(A Professional Accounting Corporation)

P.O. Box 1344
205 E. Reynolds Drive, Suite A
Ruston, Louisiana 71273-1344

**INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES**

Board of Directors of the Beekman Charter School
and the Louisiana Legislative Auditor:

I 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, 2021 through June 30, 2022. Beekman Charter School's management is responsible for those C/C areas identified in the SAUPs.

Beekman Charter School 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, 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 and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that 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

Management provided us with the written policy and procedures and all functions are addressed.

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

Management provided us with the written policy and procedures and all functions are addressed.

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

Management provided us with the written policy and procedures and all functions are addressed.

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)

Management provided us with the written policy and procedures and all functions are addressed.

- 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

Management provided us with the written policy and procedures and all functions are addressed.

- 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

Management provided us with the written policy and procedures and all functions are addressed, except there are no standard terms and conditions for contracts.

- 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)

Management provided us with the written policy and procedures and all functions are addressed.

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

Management provided us with the written policy and procedures and all functions are addressed.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 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

Management provided us with the written policy and procedures and all functions are addressed.

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

Management provided us with the written policy and procedures. The debt issuance approval function was addressed. They do not have written policies and procedures for the other functions, but those functions are not applicable to the School.

- 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.

Management provided us with the written policy and procedures and all functions are addressed.

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

Management provided us with the written policy and procedures, but charter schools are not required to follow R.S. 42:342-344.

Board (or Finance Committee, if applicable)

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 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.

No exceptions were found as a result of this procedure.

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

No exceptions were found as a result of this procedure.

- 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.

No exceptions were found as a result of this procedure.

Bank Reconciliations

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

No exceptions were found as a result of this procedure.

- 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

No exceptions were found as a result of this procedure.

- c) 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.

No exceptions were found as a result of this procedure.

Collections (excluding EFTs)

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).

Management provided us with the required list and representation that it is complete.

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) Employees that are responsible for cash collections do not share cash drawers/registers.

No exceptions were found as a result of this procedure.

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 were found as a result of this procedure.

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 were found as a result of this procedure.

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 were found as a result of this procedure.

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

No exceptions were found as a result of this procedure.

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:

a) Observe that receipts are sequentially pre-numbered.

Observed sequentially pre-numbered receipts for the selected deposits, except for four of the deposits selected.

Management's Response: The accountant will be more diligent in preparing prenumbered receipts for all amounts received.

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

No exceptions were found as a result of this procedure.

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

No exceptions were found as a result of this procedure.

- d) Observe 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).

No exceptions found, except four deposits included receipts that were not deposited within one business day of receipt.

Management's Response: The accountant and clerk for the student activity fund will be more diligent in making sure receipts are deposited daily.

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

No exceptions were found as a result of this procedure.

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).

No exceptions were found as a result of this procedure.

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:

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

No exceptions were found as a result of this procedure.

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

No exceptions were found as a result of this procedure.

- 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 were found as a result of this procedure.

- 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 were found as a result of this procedure.

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:

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

No exceptions were found as a result of this procedure.

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

No exceptions were found as a result of this procedure.

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.

No exceptions were found as a result of 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:

- a) Observe 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) was 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.]

No exceptions were found as a result of this procedure.

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

No exceptions were found as a result of this procedure.

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 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 the missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

No exceptions were found as a result of this procedure.

Travel and Expense Reimbursement

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:

- a) If reimbursed using a per diem, observe that 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 were found as a result of this procedure.

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

No exceptions were found as a result of this procedure.

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

No exceptions were found as a result of this procedure.

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

No exceptions were found as a result of this procedure.

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:

- a) Observe that 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 were found as a result of this procedure.

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

No exceptions were found as a result of this procedure.

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

No exceptions were found as a result of this procedure.

- 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 that the invoice and related payment agreed to the terms and conditions of the contract.

No exceptions were found as a result of this procedure.

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.

No exceptions were found as a result of this procedure.

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:

- a) Observe that 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 were found as a result of this procedure.

- b) Observe that supervisors approved the attendance and leave of the selected employees/officials.

No exceptions were found as a result of this procedure.

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

No exceptions were found as a result of this procedure.

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

No exceptions were found as a result of this procedure.

18. Obtain a listing of those employees/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 policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, and 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.

No exceptions found for one of the termination payments, but the other termination payment had a mathematical error resulting in it not being calculated correctly.

Management's Response: The accountant will be more diligent in making sure that termination payments are calculated correctly.

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, and workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

No exceptions were found as a result of this procedure.

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 that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

No exceptions were found as a result of this procedure.

- b) Observe that 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.

No exceptions were found as a result of this procedure.

Debt Service

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

Not applicable in current year.

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).

No exceptions were found as a result of this procedure.

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.

No exceptions were found as a result of this procedure.

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 were found as a result of this procedure.

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 procedures 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 procedures 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 procedures and discussed the results with management.

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 that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

Charter schools are not required to comply with this requirement.

27. Observe 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.)

Charter schools are not required to comply with this requirement.

28. Obtain the entity's sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that 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;

Charter schools are not required to comply with this requirement.

- b) Number of sexual harassment complaints received by the agency;

Charter schools are not required to comply with this requirement.

- c) Number of complaints which resulted in a finding that sexual harassment occurred;

Charter schools are not required to comply with this requirement.

- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

Charter schools are not required to comply with this requirement.

- e) Amount of time it took to resolve each complaint.

Charter schools are not required to comply with this requirement.

I was engaged by the Beekman Charter School to perform this agreed-upon procedures engagement and conducted my engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. I was 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, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

I am required to be independent of Beekman Charter School and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my 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.



Don M. McGehee
Certified Public Accountant
December 7, 2022