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RENEW – REINVENTING EDUCATION
NEW ORLEANS, LOUISIANA

FINANCIAL STATEMENTS

JUNE 30, 2024



RENEW – REINVENTING EDUCATION

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
ReNEW - Reinventing Education

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of ReNEW - Reinventing Education ("ReNEW") (a nonprofit organization), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities and cash flows for each of the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ReNEW as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for each of the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States ("*Government Auditing Standards*"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of ReNEW and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation and other Disbursements Paid to or on behalf of Agency Head on page 15 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2024, on our consideration of ReNEW's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of ReNEW's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering ReNEW's internal control over financial reporting and compliance.

EisnerAmper LLP

EISNERAMPER LLP
Metairie, Louisiana
December 27, 2024

EISNERAMPER
LLP



RENEW – REINVENTING EDUCATION
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2024 AND 2023

	<u>ASSETS</u>	
	<u>2024</u>	<u>2023</u>
<u>CURRENT ASSETS</u>		
Cash	\$ 11,543,818	\$ 9,631,650
Grants receivable	3,505,594	5,018,474
Other receivables	110,583	235,583
Deposits	122,128	201,130
	<hr/>	<hr/>
Total current assets	15,282,123	15,086,837
<u>PROPERTY AND EQUIPMENT, NET</u>		
	681,227	637,097
	<hr/>	<hr/>
Total assets	<u>\$ 15,963,350</u>	<u>\$ 15,723,934</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>CURRENT LIABILITIES</u>		
Accounts payable and accrued expenses	\$ 2,962,091	\$ 1,769,651
	<hr/>	<hr/>
Total current liabilities	2,962,091	1,769,651
	<hr/>	<hr/>
Total liabilities	2,962,091	1,769,651
<u>NET ASSETS</u>		
Without donor restrictions	13,000,238	13,896,203
With donor restrictions	1,021	58,080
	<hr/>	<hr/>
Total net assets	13,001,259	13,954,283
	<hr/>	<hr/>
Total liabilities and net assets	<u>\$ 15,963,350</u>	<u>\$ 15,723,934</u>

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

RENEW - REINVENTING EDUCATION
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2024 AND 2023

	Year ended June 30, 2024			Year ended June 30, 2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<u>REVENUES AND SUPPORT</u>						
Federal government	\$ 9,671,171	\$ -	\$ 9,671,171	\$ 9,029,008	\$ -	\$ 9,029,008
State and local governments	34,754,334	-	34,754,334	30,161,032	-	30,161,032
Private grants and donations	4,559	98,415	102,974	3,314	123,509	126,823
Other revenue	793,196	-	793,196	587,906	-	587,906
Net assets released from restrictions	155,474	(155,474)	-	89,564	(89,564)	-
Total revenues and other support	45,378,734	(57,059)	45,321,675	39,870,824	33,945	39,904,769
<u>EXPENSES</u>						
Program services						
Regular education programs	16,022,428	-	16,022,428	14,719,012	-	14,719,012
Operation and maintenance of facilities	8,232,574	-	8,232,574	7,607,186	-	7,607,186
Special education programs	5,958,568	-	5,958,568	4,914,740	-	4,914,740
School administration	3,840,697	-	3,840,697	3,732,874	-	3,732,874
Instructional staff services	1,628,511	-	1,628,511	1,623,876	-	1,623,876
Food service operations	1,668,151	-	1,668,151	1,587,523	-	1,587,523
Pupil support services	4,223,759	-	4,223,759	4,030,244	-	4,030,244
Student activities	1,573,151	-	1,573,151	1,278,751	-	1,278,751
Management and general						
General administration	3,126,860	-	3,126,860	3,419,020	-	3,419,020
Total expenses	46,274,699	-	46,274,699	42,913,226	-	42,913,226
Change in net assets	(895,965)	(57,059)	(953,024)	(3,042,402)	33,945	(3,008,457)
<u>NET ASSETS, BEGINNING OF YEAR</u>	13,896,203	58,080	13,954,283	16,938,605	24,135	16,962,740
<u>NET ASSETS, END OF YEAR</u>	<u>\$ 13,000,238</u>	<u>\$ 1,021</u>	<u>\$ 13,001,259</u>	<u>\$ 13,896,203</u>	<u>\$ 58,080</u>	<u>\$ 13,954,283</u>

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

RENEW - REINVENTING EDUCATION
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Change in net assets	\$ (953,024)	\$ (3,008,457)
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation expense	302,594	471,028
Changes in operating assets and liabilities:		
Grants receivable	1,512,880	3,660,783
Other receivables	125,000	75,000
Deposits	79,002	(79,002)
Accounts payable and accrued expenses	1,192,440	(1,210,991)
	<u>2,258,892</u>	<u>(91,639)</u>
Net cash provided by (used in) operating activities		
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Purchases of property and equipment	<u>(346,724)</u>	<u>(41,182)</u>
Net cash used in investing activities	<u>(346,724)</u>	<u>(41,182)</u>
Net increase (decrease) in cash	1,912,168	(132,821)
Cash, beginning of year	<u>9,631,650</u>	<u>9,764,471</u>
Cash, end of year	<u>\$ 11,543,818</u>	<u>\$ 9,631,650</u>

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

RENEW – REINVENTING EDUCATION

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Organization

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

As a result of Orleans Parish city wide school reunification, effective July 1, 2018, the Louisiana State Board of Elementary and Secondary Education (BESE) approved the transfer of all of ReNEW's Type 5 charter schools to a Type 3B charter to operate under the jurisdiction of New Orleans Public Schools (NOLAPS). During the years ended June 30, 2024 and 2023, ReNEW operated 3 schools: ReNEW Laurel Elementary, ReNEW Dolores T. Aaron Elementary, and ReNEW Schaumburg Elementary. Effective July 1, 2024, a fourth school, Renew Moton Lakefront, was opened.

Basis of Presentation

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

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of ReNEW's management and the board of directors.

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

Use of Estimates

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

Cash

Cash includes amounts on deposit at local financial institutions.

RENEW – REINVENTING EDUCATION

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

Grants and Other Receivables

Grants and other receivables consist primarily of noninterest-bearing amounts related to federal and state grant reimbursements. ReNEW records unconditional promises to give that are expected to be collected within one year at net realizable value. Promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. At June 30, 2024 and 2023, there are no unconditional promises to give. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

ReNEW determines the allowance for uncollectable receivables based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Receivables are written off when deemed uncollectable. At June 30, 2024 and 2023, management does not have an allowance for uncollectable receivables as outstanding amounts are considered collectible.

Property and Equipment

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

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

Contributions and Revenue Recognition

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

Contributed Gifts-In-Kind

The value of contributed goods and services is recorded, at fair value, as revenues and support and expense or assets in the period received, provided there is an objective basis for measurement of the value of such goods and services. Recognition of contributed services requires specialized skills. ReNEW did not recognize donated goods or services during the years ended June 30, 2024 and 2023.

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

RENEW – REINVENTING EDUCATION

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

Functional Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Note 11 presents a reconciliation of expenses by function to their natural classification. Accordingly, certain costs have been allocated among the programs and services benefited. Expenses have been specifically identified with a program or supporting service.

Tax Exempt Status

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

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

Newly Adopted Accounting Standard

In June 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-13, *Financial Instruments – Credit Losses (Topic 326)*. This ASU, implemented as of July 1, 2023, replaces the incurred loss impairment methodology in current GAAP with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. This standard did not have a significant impact on the financial statements of the School for the year ended June 30, 2024.

2. Liquidity and Availability

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

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

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

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

RENEW – REINVENTING EDUCATION

NOTES TO FINANCIAL STATEMENTS

2. Liquidity and Availability (continued)

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

	<u>2024</u>	<u>2023</u>
Total assets	\$ 15,963,350	\$ 15,723,934
Less: non-financial assets		
Deposits	(122,128)	(201,130)
Property and equipment, net	<u>(681,227)</u>	<u>(637,097)</u>
Financial assets available for general expenditures within one year	<u>\$ 15,159,995</u>	<u>\$ 14,885,707</u>

ReNEW also has a line of credit available to meet short-term needs, as described in Note 5. As of June 30, 2024, \$2,000,000 remained available on the line of credit.

3. Grants Receivable

Grants receivable as of June 30 are as follows:

	<u>2024</u>	<u>2023</u>
Due from federal government	\$ 1,172,383	\$ 3,276,535
Due from State of Louisiana	<u>2,333,211</u>	<u>1,741,939</u>
	<u>\$ 3,505,594</u>	<u>\$ 5,018,474</u>

4. Property and Equipment

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

	<u>2024</u>	<u>2023</u>
Furniture and equipment	\$ 1,751,400	\$ 1,444,640
Leasehold improvements	<u>1,049,659</u>	<u>1,009,695</u>
	2,801,059	2,454,335
Less: accumulated depreciation	<u>(2,119,832)</u>	<u>(1,817,238)</u>
Total property and equipment, net	<u>\$ 681,227</u>	<u>\$ 637,097</u>

5. Line of Credit

ReNEW has a \$2,000,000 line of credit with a financial institution, secured by deposit accounts. The line of credit expired September 22, 2024. Interest is due monthly at the prime lending rate of 7%, along with monthly principal payments. At June 30, 2024, the line of credit had no outstanding balance.

RENEW – REINVENTING EDUCATION

NOTES TO FINANCIAL STATEMENTS

6. Net Assets with Donor Restrictions

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

	<u>2024</u>	<u>2023</u>
Restricted for purpose:		
Security Cameras	\$ -	\$ 35,196
Special Education Art	-	21,863
School Garden Project	1,021	1,021
	<u>\$ 1,021</u>	<u>\$ 58,080</u>

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

	<u>2024</u>	<u>2023</u>
Security cameras	\$ 35,196	\$ 24,804
SPED curriculum	1,000	20,000
Student athletics	-	15,000
Family literacy events	20,764	6,000
Special education art	21,863	5,500
Band instruments	-	4,137
Healthy food	-	3,500
Homeless support	-	3,000
Environmental education	-	2,509
Student life skills	-	2,000
School Garden Project	-	2,000
Arts Education	19,500	1,114
Library	9,000	-
STEM	4,490	-
Journalism	29,911	-
Culinary Arts	13,750	-
	<u>\$ 155,474</u>	<u>\$ 89,564</u>

7. Credit Risk Concentration

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

8. Economic Dependency

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

RENEW – REINVENTING EDUCATION

NOTES TO FINANCIAL STATEMENTS

9. Contingencies

ReNEW participates in a number of state and federal grant programs, which are governed by various rules and regulations. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that ReNEW has not complied with the rules and regulations governing the grants, refunds of any money received and the collectability of any related receivable as of June 30, 2024 might be impaired. In management's opinion, there are no significant contingent liabilities relating to compliance with the rules and regulations governing state and federal grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies. Any costs that would be disallowed would be recognized in the period agreed upon by the grantor agency and ReNEW.

10. Defined Contribution Plan

ReNEW has a 401(k) plan that was adopted in July 2010. Full-time employees 18 years of age and older are eligible to participate in the Plan after completing one hour of service in a twelve-month period. Under the terms of the Plan, ReNEW matches employee contributions up to 4% of employee compensation. As of January 1, 2021, ReNEW matches employee contributions based upon years of service from 4% to 10% of employee compensation. All participating employee match contributions are fully vested. For the years ended June 30, 2024 and 2023, ReNEW made \$572,446 and \$613,331, respectively, in employer matching contributions to the plan.

11. Functional Allocation of Expenses

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

Functional expenses for the year ended June 30, 2024 are as follows:

	Program Services	Management and General	Total
Advertising	\$ 155,114	\$ -	\$ 155,114
Contract services	2,047,242	365,591	2,412,833
Depreciation expense	302,594	-	302,594
Facility, equipment, and maintenance	2,967,948	-	2,967,948
Food service operations	1,668,151	-	1,668,151
Instructional materials	2,323,245	-	2,323,245
Insurance	744,526	-	744,526
Miscellaneous	-	208	208
Non-instructional materials	24,748	257,063	281,811
Telephone, postage, access, and printing	189,519	4,588	194,107
Salaries and benefits	28,308,898	2,395,399	30,704,297
State and local MFP fee	624,910	-	624,910
Student transportation	3,265,546	-	3,265,546
Technology	220,516	-	220,516
Travel and staff development	304,882	104,011	408,893
Total expenses	<u>\$ 43,147,839</u>	<u>\$ 3,126,860</u>	<u>\$ 46,274,699</u>

RENEW – REINVENTING EDUCATION

NOTES TO FINANCIAL STATEMENTS

11. Functional Allocation of Expenses (continued)

Functional expenses for the year ended June 30, 2023 are as follows:

	Program Services	Management and General	Total
Advertising	\$ 42,943	\$ -	\$ 42,943
Contract services	2,152,161	346,580	2,498,741
Depreciation expense	471,028	-	471,028
Facility, equipment, and maintenance	3,097,966	-	3,097,966
Food service operations	1,587,523	-	1,587,523
Instructional materials	1,676,190	-	1,676,190
Insurance	490,198	-	490,198
Miscellaneous	-	6,520	6,520
Non-instructional materials	9,813	227,703	237,516
Telephone, postage, access, and printing	106,859	140	106,999
Salaries and benefits	25,805,058	2,795,051	28,600,109
State and local MFP fee	545,187	-	545,187
Student transportation	2,795,718	-	2,795,718
Technology	142,013	-	142,013
Travel and staff development	571,549	43,026	614,575
Total expenses	<u>\$ 39,494,206</u>	<u>\$ 3,419,020</u>	<u>\$ 42,913,226</u>

12. School Properties

On July 1, 2021, ReNEW entered into a lease agreement with NOLAPS to allow ReNEW to use facilities and its contents located at 10200 Curran Boulevard. ReNEW is using the space for ReNEW Dolores T. Aaron Academy for three years. On July 1, 2024, ReNEW renewed the lease agreement for an additional five years ending June 30, 2029. During the years ended June 30, 2024 and 2023, no rent was charged to ReNEW by NOLAPS.

On July 1, 2021, ReNEW entered into a lease agreement with NOLAPS to allow ReNEW to use facilities and its contents located at 820 Jackson Avenue. ReNEW is using the space for ReNEW Laurel Elementary for three years. On July 1, 2024, ReNEW renewed the lease agreement for an additional five years ending June 30, 2029. During the years ended June 30, 2024 and 2023, no rent was charged to ReNEW by NOLAPS.

On July 1, 2021, ReNEW entered into a lease agreement with NOLAPS to allow ReNEW to use the facilities and its content located at 9501 Grant Street. ReNEW is using the space for ReNEW Schaumburg Elementary for three years. On July 1, 2024, ReNEW renewed the lease agreement for an additional five years ending June 30, 2029. During the years ended June 30, 2024 and 2023, no rent was charged to ReNEW by the NOLAPS.

On July 1, 2021, ReNEW entered into a lease agreement with NOLAPS to allow ReNEW to use the facilities and its contents located at 1607 South Carrollton Avenue. ReNEW is using the space for the operations of ReNEW Laurel Elementary's programs for three years. During the years ended June 30, 2024 and 2023, no rent was charged to ReNEW by the NOLAPS.

Subsequent to year end, on July 1, 2024, ReNEW entered into a lease agreement with NOLAPS to allow ReNEW to use the facilities and its content located at 2503 Willow Street. ReNEW is using the space for the operations of ReNEW Early Childhood Center & ReNEW Therapeutic programs for five years.

RENEW – REINVENTING EDUCATION

NOTES TO FINANCIAL STATEMENTS

12. School Properties (continued)

Subsequent to year end, on July 1, 2024, ReNEW entered into a lease agreement with NOLAPS to allow ReNEW to use the facilities and its content located at 8551 Curran Boulevard. ReNEW is using the space for the operations of ReNEW Robert Russa Moton Lakefront's programs for five years.

Use of the property, including fixtures, furniture, and equipment provided by NOLAPS is not recorded as an in-kind contribution nor as a related rent expense. The agreements are classified as exchange transactions because both parties receive significant value from these agreements. ReNEW is responsible for all necessary maintenance to ensure that the facilities comply with all state and local health and safety standards and other applicable laws, regulations, and rules.

13. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, December 27, 2024. No events occurring after this date have been evaluated for inclusion in these financial statements.

On January 10, 2024, ReNEW entered into an agreement to operate a new Type 3B charter school under the jurisdiction of New Orleans Public Schools (NOLAPS). The operating agreement between NOLAPS and ReNEW for ReNEW Moton Lakefront commenced on July 1, 2024. The facilities lease agreement for the new school is discussed in Note 12.

SUPPLEMENTARY INFORMATION

RENEW - REINVENTING EDUCATION
SCHEDULE OF COMPENSATION AND OTHER DISBURSEMENTS
PAID TO OR ON BEHALF OF AGENCY HEAD
FOR THE YEAR ENDED JUNE 30, 2024

Organization Head: Tanya Bryant, CEO

Purpose	Amount
Salary	\$ 238,100
Mileage	1,800
Benefits - Insurance	9,959
Benefits - Retirement	19,048
Benefits - FICA	11,036
Benefits - Medicare	3,490
Other reimbursements:	
Business Meals (CMO)	879
Team Development Meeting (Staff)	216
	<u>\$ 284,528</u>

See accompanying independent auditors' report.

EISNERAMPER

RENEW – REINVENTING EDUCATION
NEW ORLEANS, LOUISIANA

SINGLE AUDIT REPORT

JUNE 30, 2024



RENEW – REINVENTING EDUCATION

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

To the Board of Trustees of
ReNEW - Reinventing Education

We 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 (*Government Auditing Standards*), the financial statements of ReNEW - Reinventing Education ("ReNEW"), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 27, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered ReNEW's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of ReNEW's internal control. Accordingly, we do not express an opinion on the effectiveness of ReNEW's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of ReNEW's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering ReNEW's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

EisnerAmper LLP

EISNERAMPER LLP
Metairie, Louisiana
December 27, 2024

EISNERAMPER
LLP



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

To the Board of Trustees of
ReNEW - Reinventing Education

Report on Compliance for Each Major Federal Program

Opinion on its Major Federal Program

We have audited ReNEW - Reinventing Education's ("ReNEW") 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 ReNEW's major federal program for the year ended June 30, 2024. ReNEW's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, ReNEW complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2024.

Basis for Opinion on its Major Federal Program

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

We are required to be independent of ReNEW and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of ReNEW's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding ReNEW's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of ReNEW's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of ReNEW's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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



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

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

We have audited the financial statements of ReNEW as of and for the year ended June 30, 2024, and have issued our report thereon dated December 27, 2024, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

EisnerAmper LLP

EISNERAMPER LLP
Metairie, Louisiana
December 27, 2024



RENEW - REINVENTING EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor / Pass-Through Grantor / Program Title	Assistance Listing Number	Grantor Project Number	Federal Expenditures
<u>United States Department Agriculture</u>			
Passed through the Louisiana Department of Agriculture:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	16-SFS-015	631,164
National School Lunch Program	10.555	16-SFS-015	1,231,175
COVID-19 - Supply Chain Assistance	10.555	16-SFS-015	62,266
Summer Food Service Program for Children	10.559	16-SFS-015	60,996
Total Child Nutrition Cluster			1,985,601
Child and Adult Care Food Program	10.558	2016-92AR	315,191
Total Louisiana Department of Agriculture			2,300,792
Total United States Department of Agriculture			2,300,792
<u>United States Department of Education</u>			
Passed through the Louisiana Department of Education:			
Special Education- Grants to States	84.027A	H027A200033	796,797
Special Education - Preschool Grants	84.173A	H173A200082	74,787
Total Special Education Cluster (IDEA)			871,584
Title I Grants to Local Education Agencies (LEAs)	84.010A	S010A140018	1,366,036
Redesign 1003a	84.010A	S010A140018	210,425
Total Title I			1,576,461
COVID-19 - Education Stabilization Fund	84.425D	S425D200003	2,130,587
Title II, Part A, - Improving Teacher Quality Through State Grants	84.367A	S367A150017	144,405
Title III, Part A, - English Language Acquisition State Grants	84.365	S365A200018	21,502
Title IV, Part A, - Student Support and Academic Enrichment	84.424A	S424A200019	329,865
Twenty-First Century Community Learning Centers	84.287C	S287C200018	1,214,748
Comprehensive Literacy Development	84.371C	S371C190018	190,902
Teacher and School Leader Incentive Program	84.374A	P5MRJT57UCR6	634,164
Total Louisiana Department of Education			7,114,218
Total for United States Department of Education			7,114,218
<u>Federal Communications Commission</u>			
Emergency Connectivity Fund Program	32.009	N/A	256,161
Total Federal Communications Commission			256,161
Total Expenditures of Federal Awards			\$ 9,671,171

See accompanying independent auditors' report.

RENEW – REINVENTING EDUCATION

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2024

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of ReNEw – Reinventing Education (ReNEW) for the year ended June 30, 2024. 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 ReNEW, it is not intended to and does not present the financial position, changes in net assets, or cash flows of ReNEW. ReNEW's reporting entity is defined in Note 1 to the financial statements for the year ended June 30, 2024.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in accordance with the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in this Schedule may differ from amounts presented, or used in the preparation of, the basic financial statements.

3. Relationship to Financial Statements

Federal revenues of \$9,671,171 are included in Revenues and Support on the Statement of Activities.

4. De Minimis Cost Rate

During the year ended June 30, 2024, ReNEW did not include any expenditures related to indirect cost rate calculations and did not elect to use the 10-percent de minimis indirect cost rate as allowed in the Uniform Guidance.

5. Amounts Passed Through to Subrecipients

ReNEW did not pass through any federal funds to subrecipients.

RENEW – REINVENTING EDUCATION

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

(1) Summary of Independent Auditors' Results

Financial Statements

Type of auditors' report issued on the financial statements: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? None reported

Noncompliance material to the financial statements noted? No

Federal Awards

Internal controls over major programs:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? None reported

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

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

Identification of major program:

COVID-19 – Education Stabilization Fund 84.425D

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

Auditee qualified as a low-risk auditee under Section 530 of the Uniform Guidance: Yes

(2) Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards*:

None

(3) Findings and Questioned Costs Relating to Federal Awards:

None

RENEW – REINVENTING EDUCATION

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024**

Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards*:

None

Findings and Questioned Costs Relating to Federal Awards:

None

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RENEW – REINVESTING EDUCATION
PERFORMANCE AND STATISTICAL DATA
FOR THE YEAR ENDED JUNE 30, 2024



RENEW – REINVESTING EDUCATION

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Members of the
ReNEW - Reinventing Education,
the Louisiana Department of Education,
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the performance and statistical data accompanying the annual financial statements of ReNEW - Reinventing Education ("ReNEW") for the fiscal year ended June 30, 2024. Management of ReNEW is responsible for its performance and statistical data.

ReNEW has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of performing the specified procedures on the performance and statistical data accompanying the annual financial statements and report our findings to assist the specified parties in its compliance with Louisiana Revised Statute 24:514 I. The Louisiana Legislative Auditor ("LLA") and the Louisiana Department of Education ("LDOE") have agreed to and acknowledged that the procedures performed are appropriate for their purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

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

1. We selected a sample of 25 transactions, reviewed supporting documentation, and observed that the sampled expenditures/revenues are classified within the below category corresponding to the type of expenditure/revenue identified on the supporting documentation:

- 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 noted.

Class Size Characteristics (Schedule 2)

2. We obtained a list of classes by school, school type, and class size as reported on the schedule. We then traced the number of students per class for a sample of 10 classes to the October 1 roll books for those classes and observed that the number of students per class agreed with its classification on the schedule.

For four out of ten classes selected for testing, the number of students per class on the October 1 roll book did not agree with its classification on the schedule. No other exceptions were noted for this procedure.

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

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

For eleven out of twenty-five individuals tested, the years of experience was not properly included on the PEP data. No other exceptions were noted for this procedure.

Public-School Staff Data: Average Salaries (NO SCHEDULE)

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

No exceptions noted.

We were engaged by ReNEW to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the performance and statistical data of ReNEW for the fiscal year ended June 30, 2024. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

The purpose of this report is intended solely to describe the scope of testing performed on the performance and statistical data accompanying the annual financial statements of ReNEW, as required by Louisiana Revised Statute 24:514.I, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

EisnerAmper LLP

EISNERAMPER LLP
Metairie, Louisiana
December 27, 2024



RENEW – REINVENTING EDUCATION
NEW ORLEANS, LOUISIANA

SCHEDULES REQUIRED BY STATE LAW (R.S. 24:514 - PERFORMANCE MEASUREMENT DATA)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024

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 (Formerly Schedule 6) Class Size Characteristics

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

**Schedule 1:
General Fund Instructional and Support Expenditures and Certain Local Revenue Sources
For the Year Ended June 30, 2024**

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:		
Teacher and Student Interaction Activities:		
Classroom Teacher Salaries	\$ 8,691,732	
Other Instructional Staff Activities	3,638,816	
Instructional Staff Employee Benefits	3,713,047	
Purchased Professional and Technical Services	507,739	
Instructional Materials and Supplies	379,674	
Instructional Equipment	<u>1,364,184</u>	
Total Teacher and Student Interaction Activities		\$ 18,295,191
Other Instructional Activities		713,215
Pupil Support Activities	3,814,688	
Less: Equipment for Pupil Support Activities	<u>-</u>	
Net Pupil Support Activities		3,814,688
Instructional Staff Services	2,010,104	
Less: Equipment for Instructional Staff Services	<u>-</u>	
Net Instructional Staff Services		2,010,104
School Administration	2,998,183	
Less: Equipment for School Administration	<u>-</u>	
Net School Administration		<u>2,998,183</u>
Total General Fund Instructional Expenditures		<u>\$ 27,831,382</u>
Total General Fund Equipment Expenditures		<u>\$ 1,364,184</u>

Prepared by ReNEW - Reinventing Education

**Schedule 2:
Class Size Characteristics
As of October 1, 2023**

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	30%	137	23%	103	38%	170	9%	43
Elementary Activity Classes	33%	1	0%	-	0%	-	67%	2
Middle/Jr. High	0%	-	0%	-	0%	-	0%	-
Middle/Jr. High Activity Classes	0%	-	0%	-	0%	-	0%	-
High	0%	-	0%	-	0%	-	0%	-
High Activity Classes	0%	-	0%	-	0%	-	0%	-
Combination	0%	-	0%	-	0%	-	0%	-
Combination Activity Classes	0%	-	0%	-	0%	-	0%	-

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.

Prepared by ReNEW - Reinventing Education

EISNERAMPER

RENEW – REINVESTING EDUCATION
AGREED-UPON PROCEDURES PERFORMED
AND ASSOCIATED FINDINGS

JUNE 30, 2024



RENEW – REINVESTING EDUCATION

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of ReNEW - Reinventing Education
and the Louisiana Legislative Auditor

We have performed the procedures enumerated in Schedule A on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) of ReNEW - Reinventing Education ("ReNEW") for the fiscal period of July 1, 2023 through June 30, 2024. ReNEW's management is responsible for those C/C areas identified in the SAUPs.

ReNEW has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of performing specified procedures on the C/C areas identified in the LLA's SAUPs for the fiscal period of July 1, 2023 through June 30, 2024. Additionally, the LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures we performed, and the associated findings are summarized in the attached Schedule A, which is an integral part of this report.

We were engaged by ReNEW to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs of ReNEW for the fiscal period of July 1, 2023 through June 30, 2024. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

The purpose of 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.



EISNERAMPER LLP

Metairie, Louisiana

December 27, 2024

**RENEW – REINVESTING EDUCATION
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
JUNE 30, 2024**

Schedule A

The procedures performed and the results thereof are set forth below. The procedure is stated first, followed by the results of the procedure presented in italics. If the item being subjected to the procedures is positively identified or present, then the results will read “*no exception noted*” or for step 13 “*we performed the procedure and discussed the results with management*”. If not, then a description of the exception ensues.

1) Written Policies and Procedures

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

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

No exception noted.

ii. **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

No exception noted.

iii. **Disbursements**, including processing, reviewing, and approving

No exception noted.

iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management’s actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

No exception noted.

v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.

No exception noted.

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

No exception noted.

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

No exception noted.

viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

No exception noted.

**RENEW – REINVESTING EDUCATION
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
JUNE 30, 2024**

Schedule A

- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

This procedure is not applicable because the Entity is a not-for-profit.

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

This procedure is not applicable because the Entity is a not-for-profit and has no debt.

- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

No exception noted.

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

The requirements of LA RS42:341-344 apply to governmental entity public officer and employees and is therefore not applicable to the Entity as it is a non-profit entity.

2) Board or Finance Committee

- A. 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:

- i. Observe whether the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

No exception noted.

- ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, at a minimum, on all proprietary funds, and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-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 exception noted.

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

This procedure is not applicable because the Entity is not a governmental entity.

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- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management’s corrective action plan at each meeting until the findings are considered fully resolved.

No exception noted.

3) Bank Reconciliations

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

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

From the listing provided, we selected the five bank accounts and obtained the bank reconciliations for the month ending June 30, 2024, resulting in five bank reconciliations obtained and subjected to the below procedures.

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

EA notes that the bank accounts were reconciled; however, there was no documentation of the date prepared to determine if the reconciliation was performed within two months of the statement closing date.

- ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and

EA notes that the bank reconciliations had written evidence that the reconciliation was reviewed by member of management who does not handle cash; however, there was no documented date of the review to determine if the review was performed within one month of the bank reconciliation being prepared.

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

No exception noted.

4) Collections (excluding electronic funds transfers)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management’s representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

A listing of deposit sites was provided and included a total of 3 deposit sites. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected all 3 deposit sites and performed the procedures below.

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- B. 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 (e.g. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

A listing of collection locations for each deposit site selected in procedure #4A was provided and included a total of 3 collection locations. No exceptions were noted as a result of performing this procedure.

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

- i. Employees responsible for cash collections do not share cash drawers/registers;

No exception noted.

- ii. Each employee responsible for collecting cash is not also 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 exception noted.

- iii. Each employee responsible for collecting cash is not also 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; and

No exception noted.

- iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions, is (are) not also responsible for collecting cash, unless another employee verifies the reconciliation.

No exception noted.

- C. 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 in force during the fiscal period.

No exception noted.

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (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). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

We randomly selected two deposit dates for three of the five bank accounts selected in procedure #3A. We noted that the other two bank accounts selected in procedure #3A did not have any deposits during the fiscal period. We obtained supporting documentation for each of the 6 deposits and performed the procedures below.

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- i. Observe that receipts are sequentially pre-numbered.

No exception noted.

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

No exception noted.

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

No exception noted.

- iv. 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 exception noted.

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

No exception noted.

5) Non-payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases)

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

The listing of locations that process payments for the fiscal period was provided and included 1 location. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected the 1 location and performed the procedures below.

- B. For each location selected under #5A 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, then inquire of employees about their job duties), and observe that job duties are properly segregated such that:

The listing of employees involved with non-payroll purchasing and payment functions for the payment processing location selected in procedure #5A was provided. No exceptions were noted as a result of performing this procedure.

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

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

No exception noted.

- ii. At least two employees are involved in processing and approving payments to vendors;

No exception noted.

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- iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;

Exception noted. The employee responsible for processing payments has access to add/modify vendor files and there is no periodic review of changes to vendor files being performed.

- iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and

No exception noted.

- v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

No exception noted.

- C. For each location selected under #5A 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 listing of non-payroll disbursements for the payment processing location selected in procedures #5A was provided related to the reporting period. No exceptions were noted as a result of performing this procedure.

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

- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice, and that supporting documentation indicates that deliverables included on the invoice were received by the entity, and

No exception noted.

- ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.

Exception noted. For all five disbursements selected for testing, the employees responsible for processing payments have access to add/ modify vendor files. We noted no exceptions for the other segregation of duties tested under procedure #5B above.

- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

For one of the five electronic disbursements selected for testing there was no approval by persons authorized to disburse funds (e.g. sign checks) per the entity's policy, and the disbursement was not approved by the required number of authorized signers per the entity's policy. No other exceptions were noted.

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6) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

A listing of all active credit card, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period was provided and included a total of 26 cards. No exceptions were noted as a result of performing this procedure.

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

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

- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported; and

No exception noted.

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

No exception noted.

- C. Using the monthly statements or combined statements selected under procedure #6B 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 (e.g., each card should have 10 transactions subject to inspection). 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 observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

We randomly selected 10 transactions, or all transactions if less than 10 from each statement and obtained supporting documentation for the transactions. For each transaction, observed that it was supported by (1) an original itemized receipt that identified 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). No exceptions noted.

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

- A. 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, and 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:

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

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

- i. 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 exception noted.

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

No exception noted.

- iii. 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 Policies and Procedures”, procedure #1A(vii); and

No exception noted.

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

No exception noted.

8) Contracts

- A. 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. *Alternatively, 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 listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

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

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

No exception noted.

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

No exception noted.

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- iii. 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, the documented approval); and

No exception noted.

- iv. 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 exception noted.

9) Payroll and Personnel

- A. 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.

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

From the listing provided, we randomly selected 5 employees/officials and performed the specified procedures.

- B. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and

We randomly selected one pay period during the fiscal period and performed the procedures below for the 5 employees/officials selected in procedure #9A.

- i. Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);

No exception noted.

- ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;

No exception noted.

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

No exception noted.

- iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

No exception noted.

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- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

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

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

- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

No exceptions noted.

10) Ethics

The ethics procedures are not required to be performed for non-profit entities for this agreed upon procedures engagement; therefore, these procedures were not performed.

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

11) Debt Service

- A. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued as required by Article VII, Section 8 of the Louisiana Constitution.
- B. 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).

The debt service procedures are not applicable to the Entity as it is a non-profit entity with no debt; therefore, these procedures were not performed.

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Schedule A

12) Fraud Notice

- A. 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 as required by R.S. 24:523.

Management represented that there were no misappropriations of assets noted for fiscal year ending June 30, 2024.

- B. 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 exception noted.

13) Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**

- i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

We performed the procedure and discussed the results with management.

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

We performed the procedure and discussed the results with management.

- iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

We performed the procedure and discussed the results with management.

- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in Payroll and Personnel procedure #9C. Observe evidenced that the selected terminated employees have been removed or disabled from the network.

No exception noted.

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The requirements of LA RS42:12671 apply to governmental entity public officer and employees and is therefore not applicable to the Entity as it is a non-profit entity.

- C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:
- Hired before June 9, 2020 - completed the training; and
 - Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

14) Prevention of Sexual Harassment

The requirements of LA RS42:341-344 apply to governmental entity public officer and employees and is therefore not applicable to the Entity as it is a non-profit entity.

- A. Using the 5 randomly selected employees/officials from "Payroll and Personnel" procedure #9A, 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 as required by R.S. 42:343.
- B. 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).
- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
- i. Number and percentage of public servants in the agency who have completed the training requirements;
 - ii. Number of sexual harassment complaints received by the agency;
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - v. Amount of time it took to resolve each complaint.

**RENEW- REINVENTING EDUCATION
MANAGEMENT'S RESPONSE AND CORRECTIVE ACTION PLAN
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Schedule B

Management's corrective action plan

3A(i) and (ii) ReNEW performs timely bank reconciliation and will record and log completion dates going forward.

5B(iii) and 5C(ii). ReNEW does not restrict the addition of vendors to the vendor list by employees outside of those entering disbursements due to staff limitations. However, ReNEW does employ mitigating control that all disbursements are reviewed by the Controller, CEO, Chief of Talent, or Chief of Staff.

5D ReNEW allows monthly recurring transactions to be withdrawn from the bank account. ReNEW reviews and monitors all monthly recurring transactions for reasonableness and adequacy. ReNEW has improved policies for documenting this monitoring, review and approval process for all transactions.