

**YOUNG AUDIENCES CHARTER ASSOCIATION
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Young Audiences Charter Association
Gretna, LA

Report on the Audits of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Young Audiences Charter Association (a nonprofit organization) (hereafter the Organization), which comprise the consolidated statement of financial position as of June 30, 2025, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing the 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 consolidated 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 consolidated financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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.

Emphasis of Matter

The consolidated financial statements for the year ended June 30, 2024, reflect certain prior period adjustments as described in Note 10 to the consolidated financial statements. Our opinion is not modified with respect to this matter.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information contained in the schedule of compensation, benefits, and other payments to school leader, as required by Louisiana Revised Statute 24:513 A.(3), is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and Schedules I-IV are presented for purposes of additional analysis and are also not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other

additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the consolidated 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 October 30, 2025, on our consideration of the Organization'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 the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Daigrepoint & Brian APAC". The signature is written in a cursive, flowing style.

Daigrepoint & Brian, APAC
Baton Rouge, LA
October 30, 2025

YOUNG AUDIENCES CHARTER ASSOCIATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2025

ASSETS

Current Assets

Cash, unrestricted	\$ 9,272,620
Restricted cash, current	2,195,391
Grant receivable, net	1,635,624
Net receivable in lease, current	87,088
Due from related party	4,379
Prepays	25,275
Total Current Assets	<u>13,220,377</u>

Property and Equipment

Machinery and equipment	187,561
Buildings and improvements	23,884,866
	<u>24,072,427</u>
Accumulated depreciation	(4,025,498)
Total Property and Equipment	<u>20,046,929</u>
Land	1,891,176
Right of use asset, net	483,469
Construction in progress	96,329
Net Property and Equipment	<u>22,517,903</u>

Other Assets

Restricted cash, noncurrent	3,485,627
Net receivable in lease, noncurrent	7,737
Deposits	21,737
Total Other Assets	<u>3,515,101</u>

Total Assets	<u><u>\$ 39,253,381</u></u>
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See accompanying notes and independent auditors' report.

YOUNG AUDIENCES CHARTER ASSOCIATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2025

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable	\$ 535,772
Accrued payroll	1,099,486
Accrued interest	299,281
Due to related party	903,690
Financing lease liability	512,231
Note payable, current portion	86,542
Bonds payable, current portion	320,000
Total Current Liabilities	<u>3,757,002</u>

Long Term Liabilities

Note payable, net of current	7,691
Bonds payable, net of current	24,004,764
Total Long Term Liabilities	<u>24,012,455</u>

Total Liabilities

27,769,457

Net Assets

Without donor restrictions	8,648,729
With donor restrictions	2,835,195
Total Net Assets	<u>11,483,924</u>

Total Liabilities and Net Assets

\$ 39,253,381

See accompanying notes and independent auditors' report.

**YOUNG AUDIENCES CHARTER ASSOCIATION
CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2025**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES			
State public school funds	\$ 28,515,235	\$ -	\$ 28,515,235
Federal grants	5,232,861	-	5,232,861
Private grants and contributions	26,127	65,000	91,127
Interest income	435,299	-	435,299
Insurance proceeds	-	626,780	626,780
Other income	923,451	-	923,451
Changes in net asset restrictions:			
Released from restrictions	193,962	(193,962)	-
Total Revenues	<u>35,326,935</u>	<u>497,818</u>	<u>35,824,753</u>
EXPENSES			
Program services	25,079,168	-	25,079,168
Management and general	9,363,462	-	9,363,462
Total Expenses	<u>34,442,630</u>	<u>-</u>	<u>34,442,630</u>
CHANGE IN NET ASSETS	884,305	497,818	1,382,123
Net assets - beginning of year	<u>7,764,424</u>	<u>2,337,377</u>	<u>10,101,801</u>
Net assets - end of year	<u><u>\$ 8,648,729</u></u>	<u><u>\$ 2,835,195</u></u>	<u><u>\$ 11,483,924</u></u>

See accompanying notes and independent auditors' report.

**YOUNG AUDIENCES CHARTER ASSOCIATION
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2025**

	<u>Program Services</u>	<u>Management & General</u>	<u>Total</u>
Depreciation and amortization	\$ 483,470	\$ 809,964	\$ 1,293,434
Employee benefits	2,509,126	555,142	3,064,268
Equipment	136,497	23,519	160,016
Food service	2,334,703	-	2,334,703
Insurance	-	699,899	699,899
Interest expense	-	1,225,240	1,225,240
Materials and supplies	438,769	287,745	726,514
Other expenses	613,077	685,529	1,298,606
Other purchased services	-	149,755	149,755
Professional services	3,870,066	616,654	4,486,720
Property services	233,909	1,045,696	1,279,605
Salaries	11,962,400	2,887,120	14,849,520
Textbooks, books, workbooks, periodicals	586,270	-	586,270
Transportation	1,910,881	-	1,910,881
Utilities	-	377,199	377,199
	<u>\$ 25,079,168</u>	<u>\$ 9,363,462</u>	<u>\$ 34,442,630</u>

See accompanying notes and independent auditors' report.

**YOUNG AUDIENCES CHARTER ASSOCIATION
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025**

CASH FLOWS FROM OPERATING ACTIVITIES

Changes in net assets	\$ 1,382,123
<u>Adjustments to reconcile change in net assets to net cash provided by operating activities:</u>	
Depreciation and amortization	1,280,677
Net amortization of bond premium, discounts, and cost of issuance	(1,555)
Cash receipts from net investment in lease	70,175
Decrease in grants receivable, net	3,772,961
Decrease in other receivable, net	604,064
Increase in prepaids	(41,097)
Decrease in accounts payable	(648,216)
Increase in accrued payroll	97,641
Decrease in accrued interest	(3,760)
Increase in due to related party	337,268
Total adjustments	<u>5,468,158</u>
Net cash provided by operating activities	<u>6,850,281</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Cash payments for construction in progress	(96,329)
Fixed assets acquired in exchange for note payable	(165,000)
Net cash used in investing activities	<u>(261,329)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Principal payments on bonds payable	(305,000)
Acquisition of note payable	165,000
Principal payments on note payable	(70,767)
Principal payments on financing lease liability	(454,708)
Net cash used in financing activities	<u>(665,475)</u>

**INCREASE IN CASH, CASH EQUIVALENTS, AND
RESTRICTED CASH**

5,923,477

**CASH, CASH EQUIVALENTS, AND RESTRICTED
CASH, BEGINNING OF YEAR**

9,030,161

**CASH, CASH EQUIVALENTS, AND RESTRICTED
CASH, END OF YEAR**

\$ 14,953,638

RECONCILIATION OF CASH AND RESTRICTED CASH

Cash	\$ 9,272,620
Restricted cash, current	2,195,391
Restricted cash, noncurrent	3,485,627
	<u><u>\$ 14,953,638</u></u>

See accompanying notes and independent auditors' report.

**YOUNG AUDIENCES CHARTER ASSOCIATION
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025**

SUPPLEMENTAL DISCLOSURE

Cash paid for interest during the year	<u>\$ 1,335,083</u>
Right-of-use assets obtained through financing lease liabilities	<u>\$ 966,939</u>
Net investment in lease obtained through disposal of fixed assets	<u>\$ 165,000</u>

See accompanying notes and independent auditors' report.

**YOUNG AUDIENCES CHARTER ASSOCIATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

1. Summary of Significant Accounting Policies

(a) Organization

Young Audiences Charter Association (YACA), a nonprofit organization, was incorporated in 2013 for the original purpose of operating a charter school located in Gretna, Louisiana. YACA was created to provide a rigorous learning environment where students achieve academically, develop intellectual curiosity, and practice environmental responsibility while integrating arts education and quality after-school programs. YACA's initial school year began in August 2013.

The Jefferson Parish Public School System (JPPSS) granted YACA a Type 1 charter to operate Young Audiences Charter School (YACS). Effective July 1, 2021, the Orleans Parish School Board (OPSB) authorized YACA to operate Lawrence D. Crocker, a Type 1 charter school. YACA is a component unit of JPPSS and OPSB. YACA has full responsibility for its finances and operations. YACA operates as a Pre-K to 12 charter school in Jefferson Parish and Pre-K to 8 charter school in Orleans Parish.

The financial statements of YACA are consolidated with the financial statements of Friends of Young Audiences Charter Association (Friends), collectively referred to as the "Organization". All material intercompany account balances and transactions have been eliminated. Friends, a Type II supporting organization under Internal Revenue Code 509(a)(3), was formed in 2018 primarily to raise capital and issue bonds for construction of a new school building for YACA.

(b) Revenues

Revenues from federal and some state grants are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has met the performance requirements and/or incurred expenditures in compliance with specific grant provisions.

The Organization recognizes non-federal grants and contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give – that is, those with measurable performance or other barriers and right of return (or release) – are not recognized until the conditions on which they depend have been substantially met.

Rental income is recognized as the rent becomes due. Rental payments received in advance are deferred until earned. All leases between the Organization and the tenants of the property are operating leases.

The Organization does not have any activity that would give rise to variable consideration.

(c) Cash

The Organization considers all highly liquid investments available for current use with original maturities of three months or less, which are neither held for or restricted by donors for long-term purposes, to be cash equivalents.

Cash consists of both unrestricted and restricted balances. Unrestricted cash balances represent cash available for general operating purposes. Restricted cash balances consist of amounts received from individual donors or entities who state the specific use of the contribution is for student activities and proceeds from a bond issuance which stated the specific use of the proceeds is for construction.

**YOUNG AUDIENCES CHARTER ASSOCIATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

1. Summary of Significant Accounting Policies (continued)

(d) Basis of Accounting

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

Net Assets Without Donor Restrictions are net assets that are not subject to donor-imposed restrictions and are available for use at the organization's discretion.

Net Assets With Donor Restrictions are net assets subject to donor-imposed restrictions that may or will be met, either by actions of the organization, and/or the passage of time. Once the restrictions are met, they are reclassified to net assets without donor restrictions. During the year ended June 30, 2025 the Organization received insurance proceeds with donor restrictions of \$626,780 and spent \$127,962 for the purpose of restoring the damage Hurricane Ida caused to the academic facility. The Organization also received \$65,000 and spent \$66,000 for student activities and various other donor imposed restrictions. There are net assets with donor restrictions of \$2,337,377 as of June 30, 2025. The remaining restrictions will be satisfied as cost are incurred in fulfillment of the donors' stipulations.

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.

(e) Grants and Accounts Receivable

Grants and accounts receivable represent amounts due under federal and state grant programs and, at times, contributions. The grant programs are reimbursable in nature and revenue is recognized as a receivable once the expenditures are incurred. Receivables are written off when deemed uncollectible by management and recoveries, if any, are recorded when received.

(f) Functional Expenses

The Organization allocates its expenses on a functional basis between program service or general and administrative. Expenses that can be identified with the Organization's mission are allocated directly according to their natural expense classification. Other expenses are allocated between program service or general and administrative based on management's estimate of time, percentage, or square footage used, among other factors.

(g) Income Taxes

YACA and Friends are not-for-profit corporations organized under the laws of the State of Louisiana. They are exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code (the Code), and qualify as organizations that are not private foundations as defined in Section 509(a) of the Code.

The Organization has processes presently in place to ensure the maintenance of its tax exempt status; to identify and report unrelated income, if any; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions.

The Organization has determined that there are no material uncertain tax positions that require recognition or disclosure in the consolidated financial statements.

**YOUNG AUDIENCES CHARTER ASSOCIATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

1. Summary of Significant Accounting Policies (continued)

(h) Use of Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. Concentrations

The Organization receives the majority of its operating revenue from JPPSS or the OPSB in the form of state public school funding. The Organization also receives grants from federal agencies, state agencies, and private foundations. The percentage of revenue and receivables from these sources in excess of 10% is as follows as of and for the year ended June 30, 2025:

	Revenue	Receivables
State Public School Funds	80%	N/A
Federal Grants	15%	97%

3. Commitments and Contingencies

The Organization receives grants for specific purposes that are subject to audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. It is the opinion of the Organization’s management that its compliance with the terms of the grant will not result in any disallowed costs.

The continuation of the Organization is contingent upon legislative appropriation or allocation of funds necessary to fulfill the requirements of the charter contracts with the JPPSS and OPSB. If the legislature fails to appropriate sufficient monies to provide for the continuation of the charter contract, or if such appropriation is reduced by veto of the Governor or by any means provided in the appropriations act to prevent the appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the charter contract, the contract shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated.

4. Related Parties

The Organization had amounts payable to an affiliate, Young Audience of Louisiana (YALA). The total amount recorded as due to related party for the year ended June 30, 2025 on the accompanying consolidated statements of financial position was \$903,690. YALA provided services that were primarily for arts and culture education programs, along with management oversight and staff training. For those services, the Organization incurred cost of \$2,733,239 for the year ended June 30, 2025. Amounts payable to YALA are noninterest bearing and have no specified repayment terms; however, the Organization has classified amounts payable as current because management expects to pay these amounts within the next year.

**YOUNG AUDIENCES CHARTER ASSOCIATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

5. Liquidity and Availability of Financial Assets

The following reflects the Organization's financial assets reduced by amounts not available for general use because of a contractual or donor imposed restriction within one year of the consolidated statement of financial position date.

Financial Assets at Year End:

Cash, Unrestricted	\$ 9,272,620
Grant receivable, net	1,635,624
Net receivable in lease, current	87,088
Due from related party	4,379
Net Assets Restricted for Future Use	<u>(2,835,195)</u>
Financial Assets Available for General Expenditures	<u>\$ 8,164,516</u>

As part of the Organization's liquidity management, cash is kept in checking and saving accounts that can be accessed to meet daily needs of the organization.

6. Property and Equipment

Property and equipment are stated at cost at the date of purchase or, for donated assets, at fair value at the date of donation, less accumulated depreciation. Depreciation is calculated using the straight-line method over the lesser of the estimated useful lives of the assets or the lease term. The useful lives range from three to thirty-five years. The Organization's policy is to capitalize all renewals and betterments acquired, with the exception of textbooks, for greater than \$5,000 and expense normal repairs and maintenance as incurred.

All assets acquired with public funds are the property of the Organization for the duration of the charter. If the charter is revoked or surrendered, or the Organization otherwise ceases to operate, all assets purchased with public funds will automatically revert to full ownership by the appropriate agency.

Depreciation expense was \$797,207 for the year ended June 30, 2025.

7. Subsequent Event

In preparing these consolidated financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through October 30, 2025, which is the date the consolidated financial statements were available to be issued.

8. Retirement Plan

Employees of YACA may participate in an employer-sponsored retirement plan. Eligible employees may elect to contribute a portion of their salaries to the plan. YACA's matching contribution to the Plan is 100% of the participant's contributions not to exceed 5% of the participant's compensation. YACA made contributions to the plan of \$157,831 for the year ended June 30, 2025.

YOUNG AUDIENCES CHARTER ASSOCIATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

9. Debt

Bonds Payable

On June 18, 2019, the Organization issued \$24,980,000 of Louisiana Public Facilities Authority Revenue Bonds Series 2019A and \$315,000 of Louisiana Public Facilities Authority Revenue Bonds Series 2019B. The proceeds of the bonds were used for the purpose of obtaining and constructing a new campus for YACA. The 2019A bonds have an interest rate of 5%. Semi-annual interest only payments were made until April 1, 2023, at which point semi-annual principal and interest payments began, and will be made until maturity on April 1, 2057. The 2019B bonds bear interest at 5.5% and matured on April 1, 2023.

Outstanding bonds consisted of the following at June 30, 2025:

Series 2019A Bonds	\$ 24,275,000
Unamortized premium	457,977
Unamortized issuance costs	(408,213)
	<u>\$ 24,324,764</u>

Note Payable

In July 2024, the Organization financed six buses in the amount of \$165,000. The note has an interest rate of 12% and requires 24 monthly payments of \$7,713. The note is collateralized by the buses for which it was obtained and matures in July 2026.

The principal obligations on the indebtedness will mature as follows for the years ending June 30:

	<u>Note</u>	<u>Bonds</u>	<u>Total</u>
2026	\$ 86,542	\$ 320,000	\$ 406,542
2027	7,691	340,000	347,691
2028	-	355,000	355,000
2029	-	375,000	375,000
2030	-	390,000	390,000
Thereafter	-	22,495,000	22,495,000
	<u>\$ 94,233</u>	<u>\$ 24,275,000</u>	<u>\$ 24,369,233</u>

Interest expense for the year ended June 30, 2025 was \$1,225,240.

10. Prior Period Adjustment

Errors resulting in the misstatement of financial statement categories as presented below in the June 30, 2024, consolidated financial statements were identified during the current year. The errors related to the overreporting of buildings and improvements and accounts payable. The effect of the restatement on the consolidated financial statements as of the year ended June 30, 2024, are summarized below:

	<u>As Previously Stated</u>	<u>Adjustment</u>	<u>June 30, 2024 Restated</u>
Buildings and Improvements	\$ 24,039,346	\$ (154,480)	\$ 23,884,866
Accounts Payable	\$ 1,520,591	\$ (154,480)	\$ 1,366,111

**YOUNG AUDIENCES CHARTER ASSOCIATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

11. Leases

Lessor - Sales Type Lease

In July 2024, the Organization entered into a leaseback lease for six buses. The lease calls for monthly payments of \$7,815 for 24 months, and legal title of the buses will transfer to the lessee at the expiration of the agreement in July 2026. The implicit interest rate was not stated in the agreement; however, the Organization’s incremental borrowing rate of 12% was used to measure the net investment in lease. The Organization recognized \$14,773 in interest income for the year ended June 30, 2025.

The maturity of the net investment in lease as of June 30 is as follows:

2026	\$ 93,780
2027	<u>7,815</u>
Total minimum payments	101,595
Present value discount	<u>(6,770)</u>
Net investment in lease	<u><u>\$ 94,825</u></u>

Lease receivable and payments do not include variable lease payments. The Organization's policy is to defer recognition of such contingent rentals until the specified usage levels are met.

Lessee - Financing Lease

In July 2024, the Organization leased the six buses identified above back. This lease calls for 24 monthly payments of \$45,511. The implicit interest rate was not stated in the agreement; however, the Organization’s incremental borrowing rate of 12% was used to measure the right-of-use asset and financing lease liability. The agreement expires on June 30, 2026, but can be renewed for subsequent terms of 12 month periods, not to exceed 48 months.

Amortization and interest expense for the year ended June 30, 2025 was \$483,470 and \$91,424, respectively. As of June 30, 2025, the weighted average of the remaining lease term was one year and the weighted average discount rate was 12%.

The maturity of the financing lease liability as of June 30 is as follows:

2026	\$ 546,132
Total minimum payments	<u>546,132</u>
Present value discount	<u>(33,901)</u>
Financing lease liability	<u><u>\$ 512,231</u></u>

**YOUNG AUDIENCES CHARTER ASSOCIATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Total Federal Expenditures
U.S. Department of Agriculture			
Child Nutrition Cluster			
Passed through the Louisiana Department of Education			
National School Lunch Program	10.555	N/A	\$ 1,615,171
Fresh Fruit and Vegetable Program	10.582	N/A	34,762
School Breakfast Program	10.553	N/A	758,061
Total Child Nutrition Cluster			2,407,994
Passed through the Louisiana Department of Education			
Child and Adult Care Food Program	10.558	N/A	174,367
Total U.S. Department of Agriculture			2,582,361
U.S. Department of Education			
Title I			
Passed through the Louisiana Department of Education			
Title I Grants to Local Educational Agencies	84.010	N/A	50,453
Title I - Redesign	84.010A	N/A	288,047
Subtotal			338,500
Passed through the Jefferson Parish Public School System			
Title I Grants to Local Educational Agencies	84.010	N/A	582,233
Title I - Redesign	84.010A	N/A	188,909
Subtotal			771,142
Total Title I			1,109,642
Title II			
Passed through the Louisiana Department of Education			
Supporting Effective Instruction Grants	84.367	N/A	23,032
Passed through the Jefferson Parish Public School System			
Supporting Effective Instruction Grants	84.367	N/A	72,279
Total Title II			95,311
Title IV			
Passed through the Louisiana Department of Education			
Student Support and Academic Enrichment Program	84.424A	N/A	27,660
Passed through the Jefferson Parish Public School System			
Student Support and Academic Enrichment Program	84.424A	N/A	29,481
Total Title IV			57,141

See accompanying notes to schedule of expenditures of federal awards.

**YOUNG AUDIENCES CHARTER ASSOCIATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Total Federal Expenditures
Passed through the Jefferson Parish Public School System Comprehensive Literacy Development	84.371C	N/A	176,996
Passed through the Jefferson Parish Public School System COVID-19 Education Stabilization Fund	COVID-19, 84.425D	N/A	713,819
Special Education Grants to States			
Passed through the Louisiana Department of Education Special Education Grants to States	84.027	N/A	145,015
Passed through the Jefferson Parish Public School System Special Education Grants to States	84.027	N/A	352,576
Total Special Education Grants to States			497,591
Total U.S. Department of Education			2,650,500
Total Expenditures of Federal Awards			\$ 5,232,861

See accompanying notes to schedule of expenditures of federal awards.

**YOUNG AUDIENCES CHARTER ASSOCIATION
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025**

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal activity of Young Audiences Charter Association (the Organization) under programs of the federal government for the year ended June 30, 2025. 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 the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

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 OMB Circular A-122, *Cost Principles for Non-Profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Indirect Cost Rate

During the year ended June 30, 2025, the Organization did not elect to use the 10% de minimis cost rate as covered in §200.414 of the Uniform Guidance.

4. Non-Cash Assistance - Food Commodities

Nonmonetary assistance is reported in the Schedule at the fair market value of the commodities received and disbursed. During the year ended June 30, 2025, the Organization received and disbursed commodities amounting to \$34,762.

**YOUNG AUDIENCES CHARTER ASSOCIATION
SCHEDULE OF COMPENSATION, BENEFITS, AND
OTHER PAYMENTS TO THE SCHOOL LEADER
FOR THE YEAR ENDED JUNE 30, 2025**

School Leader	<u>R. Nutik</u>
Salary	\$ 168,062
Benefits - medical	1,004
Benefits - life insurance	18
Benefits - long term disability	1,448
Payroll taxes	<u>12,682</u>
	<u><u>\$ 183,214</u></u>

See accompanying notes and independent auditors' report.

YOUNG AUDIENCES CHARTER ASSOCIATION
SCHEDULE I - CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2025

	<u>YACA</u>	<u>Friends</u>	<u>Eliminations</u>	<u>Total</u>
ASSETS				
Current Assets				
Cash, unrestricted	\$ 9,106,612	\$ 166,008	\$ -	\$ 9,272,620
Restricted cash, current	-	2,195,391	-	2,195,391
Grant receivable, net	1,635,624	-	-	1,635,624
Net receivable in lease, current	87,088	-	-	87,088
Due from related party	459,446	-	(455,067)	4,379
Prepays	25,275	-	-	25,275
Total Current Assets	<u>11,314,045</u>	<u>2,361,399</u>	<u>(455,067)</u>	<u>13,220,377</u>
Property and Equipment				
Machinery and equipment	187,561	-	-	187,561
Buildings and improvements	656,771	23,228,095	-	23,884,866
	<u>844,332</u>	<u>23,228,095</u>	<u>-</u>	<u>24,072,427</u>
Accumulated depreciation	(590,662)	(3,434,836)	-	(4,025,498)
Total Property and Equipment	<u>253,670</u>	<u>19,793,259</u>	<u>-</u>	<u>20,046,929</u>
Land	-	1,891,176	-	1,891,176
Right of use asset, net	483,469	-	-	483,469
Construction in progress	-	96,329	-	96,329
Net Property and Equipment	<u>737,139</u>	<u>21,780,764</u>	<u>-</u>	<u>22,517,903</u>
Other Assets				
Restricted cash, noncurrent	-	3,485,627	-	3,485,627
Net receivable in lease, noncurrent	7,737	-	-	7,737
Deposits	19,559	2,178	-	21,737
Total Other Assets	<u>27,296</u>	<u>3,487,805</u>	<u>-</u>	<u>3,515,101</u>
Total Assets	<u><u>\$ 12,078,480</u></u>	<u><u>\$ 27,629,968</u></u>	<u><u>\$ (455,067)</u></u>	<u><u>\$ 39,253,381</u></u>

See accompanying notes and independent auditors' report.

YOUNG AUDIENCES CHARTER ASSOCIATION
SCHEDULE I - CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2025

	<u>YACA</u>	<u>Friends</u>	<u>Eliminations</u>	<u>Total</u>
LIABILITIES AND NET ASSETS				
Current Liabilities				
Accounts payable	\$ 535,772	\$ -	\$ -	\$ 535,772
Accrued payroll	1,099,486	-	-	1,099,486
Accrued interest	-	299,281	-	299,281
Due to related party	876,787	481,970	(455,067)	903,690
Financing lease liability	512,231	-	-	512,231
Note payable, current portion	86,542	-	-	86,542
Bonds payable, current portion	-	320,000	-	320,000
Total Current Liabilities	<u>3,110,818</u>	<u>1,101,251</u>	<u>(455,067)</u>	<u>3,757,002</u>
Long Term Liabilities				
Note payable, net of current	7,691	-	-	7,691
Bonds payable, net of current	-	24,004,764	-	24,004,764
Total Long Term Liabilities	<u>7,691</u>	<u>24,004,764</u>	<u>-</u>	<u>24,012,455</u>
Total Liabilities	3,118,509	25,106,015	(455,067)	27,769,457
Net Assets				
Without donor restrictions	8,957,706	(308,977)	-	8,648,729
With donor restrictions	2,265	2,832,930	-	2,835,195
Total Net Assets	<u>8,959,971</u>	<u>2,523,953</u>	<u>-</u>	<u>11,483,924</u>
Total Liabilities and Net Assets	<u>\$ 12,078,480</u>	<u>\$ 27,629,968</u>	<u>\$ (455,067)</u>	<u>\$ 39,253,381</u>

See accompanying notes and independent auditors' report.

YOUNG AUDIENCES CHARTER ASSOCIATION
SCHEDULE II - CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2025

	YACA		Friends		Eliminations	Total
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions		
REVENUES						
State public school funds	\$ 28,515,235	\$ -	\$ -	\$ -	\$ -	\$ 28,515,235
Federal grants	5,232,861	-	-	-	-	5,232,861
Private grants and contributions	26,127	65,000	-	-	-	91,127
Rental income	-	-	1,533,937	-	(1,533,937)	-
Interest income	215,510	-	219,789	-	-	435,299
Insurance proceeds	-	-	-	626,780	-	626,780
Other income	2,749,627	-	-	-	(1,826,176)	923,451
Changes in net asset restrictions:						
Released from restrictions	66,000	(66,000)	127,962	(127,962)	-	-
Total Revenues	36,805,360	(1,000)	1,881,688	498,818	(3,360,113)	35,824,753
EXPENSES						
Program services	25,079,168	-	-	-	-	25,079,168
Management and general	10,705,547	-	2,018,028	-	(3,360,113)	9,363,462
Total Expenses	35,784,715	-	2,018,028	-	(3,360,113)	34,442,630
CHANGE IN NET ASSETS	1,020,645	(1,000)	(136,340)	498,818	-	1,382,123
Net assets - beginning of year	7,937,061	3,265	(172,637)	2,334,112	-	10,101,801
Net assets - end of year	<u>\$ 8,957,706</u>	<u>\$ 2,265</u>	<u>\$ (308,977)</u>	<u>\$ 2,832,930</u>	<u>\$ -</u>	<u>\$ 11,483,924</u>

See accompanying notes and independent auditors' report.

YOUNG AUDIENCES CHARTER ASSOCIATION
SCHEDULE III - STATEMENT OF FINANCIAL POSITION - BY PARISH
JUNE 30, 2025

	<u>Jefferson Parish</u>	<u>Orleans Parish</u>	<u>Total</u>
ASSETS			
Current Assets			
Cash	\$ 7,192,916	\$ 1,913,696	\$ 9,106,612
Grant receivable, net	971,397	664,227	1,635,624
Due from related party	459,446	-	459,446
Net receivable in lease, current	-	87,088	87,088
Other receivable	972,872	-	972,872
Prepays	16,916	8,359	25,275
Total Current Assets	<u>9,613,547</u>	<u>2,673,370</u>	<u>12,286,917</u>
Other Assets			
Property and equipment, net	183,976	69,694	253,670
Right of use asset, net	-	483,469	483,469
Net receivable in lease, noncurrent	-	7,737	7,737
Deposits	19,559	-	19,559
Total Other Assets	<u>203,535</u>	<u>560,900</u>	<u>764,435</u>
Total Assets	<u>\$ 9,817,082</u>	<u>\$ 3,234,270</u>	<u>\$ 13,051,352</u>
LIABILITIES AND NET ASSETS			
Current Liabilities			
Accounts payable	\$ 419,781	\$ 115,991	\$ 535,772
Accrued payroll	828,993	270,493	1,099,486
Due to related party	382,909	493,878	876,787
Other payable	-	972,872	972,872
Financing lease liability	-	512,231	512,231
Note payable, current portion	-	86,542	86,542
Total Current Liabilities	<u>1,631,683</u>	<u>2,452,007</u>	<u>4,083,690</u>
Long Term Liabilities			
Note payable, net of current	-	7,691	7,691
Total Long Term Liabilities	<u>-</u>	<u>7,691</u>	<u>7,691</u>
Total Liabilities	1,631,683	2,459,698	4,091,381
Net Assets			
Without donor restrictions	8,183,134	774,572	8,957,706
With donor restrictions	2,265	-	2,265
Total Net Assets	<u>8,185,399</u>	<u>774,572</u>	<u>8,959,971</u>
Total Liabilities and Net Assets	<u>\$ 9,817,082</u>	<u>\$ 3,234,270</u>	<u>\$ 13,051,352</u>

See accompanying notes and independent auditors' report.

YOUNG AUDIENCES CHARTER ASSOCIATION
SCHEDULE IV - STATEMENT OF ACTIVITIES - BY PARISH
FOR THE YEAR ENDED JUNE 30, 2025

	Jefferson Parish		Orleans Parish		Total
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	
REVENUES					
State public school funds	\$ 21,976,704	\$ -	\$ 6,538,531	\$ -	\$ 28,515,235
Federal grants	4,088,354	-	1,144,507	-	5,232,861
Private grants and contributions	7,577	45,000	18,550	20,000	91,127
Interest income	161,547	-	53,963	-	215,510
Other income	523,818	-	399,633	-	923,451
Changes in net asset restrictions:					
Released from restrictions	46,000	(46,000)	20,000	(20,000)	-
Total Revenues	26,804,000	(1,000)	8,175,184	-	34,978,184
EXPENSES					
Program services	19,292,143	-	5,787,025	-	25,079,168
Management and general	6,778,320	-	2,101,051	-	8,879,371
Total Expenses	26,070,463	-	7,888,076	-	33,958,539
CHANGE IN NET ASSETS	733,537	(1,000)	287,108	-	1,019,645
Net assets - beginning of year	7,449,597	3,265	487,464	-	7,940,326
Net assets - end of year	\$ 8,183,134	\$ 2,265	\$ 774,572	\$ -	\$ 8,959,971

See accompanying notes and independent auditors' report.



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

To the Board of Directors
Young Audiences Charter Association
Gretna, LA

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Young Audiences Charter Association (a nonprofit Organization) (hereafter the Organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated October 30, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Organization'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 consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document. This report is intended solely for the information and use of the audit committee, management, and others within the organization, the Legislative Auditor, and the federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in blue ink that reads "Daigrepoint & Brian APAC". The signature is written in a cursive, flowing style.

Daigrepoint & Brian, APAC
Baton Rouge, LA
October 30, 2025



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

To the Board of Directors
Young Audiences Charter Association
Gretna, LA

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Young Audiences Charter Association (hereafter the Organization) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2025. the Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization'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 the Organization'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 the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

This report is intended solely for the information and use of the Board of Directors, management, the Legislative Auditor, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in blue ink that reads "Daigrepont & Brian APAC". The signature is written in a cursive, flowing style.

Daigrepont & Brian, APAC
Baton Rouge, LA
October 30, 2025

**YOUNG AUDIENCES CHARTER ASSOCIATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025**

We have audited the consolidated financial statements of Young Audiences Charter Association, as of June 30, 2025, and for the year then ended, and have issued our report thereon dated October 30, 2025. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the provisions of the Uniform Guidance. Our audit of the consolidated financial statements as of June 30, 2025 resulted in an unmodified opinion.

Summary of Auditors' Reports

A. Identification of Major Programs

Assistance Listing Number	Name of Federal Program or Cluster
10.553, 10.555, & 10.582	Child Nutrition Cluster
84.010	Title I Grants to Local Educational Agencies

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

Is the auditee a 'low risk' auditee as defined by the Uniform Guidance Yes X No

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

Internal Control			
Material Weaknesses	Yes	<u> </u>	No <u> X </u>
Significant Deficiencies	Yes	<u> </u>	No <u> X </u>
Compliance with Provisions of Laws, Regulation, Contracts or Grant Agreements	Yes	<u> </u>	No <u> X </u>

C. Report on Each Major Federal Program and on Internal Control Over Compliance

Internal Control			
Material Weaknesses	Yes	<u> </u>	No <u> X </u>
Significant Deficiencies	Yes	<u> </u>	No <u> X </u>

Type of Opinion on Compliance for Each Major Program	
Child Nutrition Cluster	Unmodified
Title I Grants to Local Educational Agencies	Unmodified

Are there any findings required to be reported in accordance with the Uniform Guidance Yes No X

Findings

There are no findings for the year ended June 30, 2025.

Questioned Costs

There are no questioned costs for the year ended June 30, 2025.



INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

Board of Directors
Young Audiences Charter Association
Gretna, LA

We have performed the procedures enumerated below on the performance and statistical data accompanying the annual financial statements of Young Audiences Charter Association (a non-profit organization) (hereafter the Organization) for the fiscal year ended June 30, 2025, to determine whether the specified schedules are free of obvious errors and omissions, in compliance with Louisiana Revised Statute 24:514 I. Management of the Organization is responsible for its performance and statistical data.

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

Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

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

Procedure #1

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

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

Results: No exceptions were found as a result of procedures.

Class Size Characteristics (Schedule 2)

Procedure #2

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

Results: No exceptions were found as a result of procedures.

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

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

Results: No exceptions were found as a result of procedures.

Public School Staff Data: Average Salaries (No Schedule)

Procedure #4

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

Results: No exceptions were found as a result of procedures.

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

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

This report is intended solely to describe the scope and results of testing performed on the performance and statistical data accompanying the annual financial statements of the Organization, as required by Louisiana Revised Statute 24:514.I, and for the information and use of the Organization, the Louisiana Department of Education, and the Louisiana Legislative Auditor. Accordingly, this report is not suitable for any other purpose and is not intended to be and should not be used by anyone other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Daigrepont & Brian APAC

Daigrepont & Brian

Baton Rouge, LA

October 30, 2025

YOUNG AUDIENCES CHARTER SCHOOL
GRETNA, LA

Schedules Required by State Law (R.S. 24:514 – Performance and Statistical Data)
As of and for the Year Ended June 30, 2025

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

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

Schedule 2 – Class Size Characteristics

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

**YOUNG AUDIENCES CHARTER SCHOOL
GRETNA, LA**

**General Fund Instructional and Support Expenditures and Certain Local Revenue Sources
For the Year Ended June 30, 2025**

	Column A	Column B
<u>General Fund Instructional and Equipment Expenditures</u>		
General Fund Instructional Expenditures:		
Teacher and Student Interaction Activities:		
Classroom Teacher Salaries	\$ 7,166,975	
Other Instructional Staff Activities	1,685,546	
Instructional Staff Employee Benefits	2,036,606	
Purchased Professional and Technical Services	2,514,604	
Instructional Materials and Supplies	996,477	
Instructional Equipment	<u>(65,360)</u>	
Total Teacher and Student Interaction Activities		14,334,848
Other Instructional Activities		-
Pupil Support Activities	1,353,367	
Less: Equipment for Pupil Support Activities	<u>-</u>	
Net Pupil Support Activities		1,353,367
Instructional Staff Services	5,166	
Less: Equipment for Instructional Staff Services	<u>-</u>	
Net Instructional Staff Services		5,166
School Administration	5,030,427	
Less: Equipment for School Administration	<u>-</u>	
Net School Administration		<u>5,030,427</u>
Total General Fund Instructional Expenditures		<u>\$ 20,723,808</u>
Total General Fund Equipment Expenditures		<u>\$ 65,360</u>

See accompanying independent accountants' report on applying agreed-upon procedures

**YOUNG AUDIENCES CHARTER SCHOOL
GRETNA, LA**

**Class Size Characteristics
As of October 1, 2024**

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	23%	133	50%	295	25%	145	2%	9
Elementary Activity Classes	18%	17	61%	55	18%	17	3%	3
Middle/Jr. High								
Middle/Jr. High Activity Classes								
High	52%	143	28%	75	20%	56	0%	1
High Activity Classes	78%	42	10%	6	6%	3	6%	3
Combination								
Combination Activity Classes								

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.



**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Directors
Young Audiences Charter Association
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2024 through June 30, 2025. Young Audiences Charter Association's (hereafter the Organization) management is responsible for those C/C areas identified in the SAUPs.

The Organization has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2024 through June 30, 2025. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) ***Disbursements***, including processing, reviewing, and approving.
 - d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- h) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Results: The organization is in compliance with the procedure above and Louisiana Legislative Auditors testing requirements.

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

- d) 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.

Results: The organization is in compliance with the procedure above and Louisiana Legislative Auditors testing requirements.

Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Results: The organization is in compliance with the procedure above and Louisiana Legislative Auditors testing requirements.

Collections (excluding electronic funds transfers)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
 - e) Trace the actual deposit per the bank statement to the general ledger.

Results: The organization is in compliance with the procedure above and Louisiana Legislative Auditors testing requirements.

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

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
 - e) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (ETF), wire transfer, or some other electronic means.
10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:

- a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
 - b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.
11. 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.*

Results: The organization is in compliance with the procedure above and Louisiana Legislative Auditors testing requirements.

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

12. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
13. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - a) Observe 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.
 - b) Observe that finance charges and late fees were not assessed on the selected statements.
14. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Results: The organization is in compliance with the procedure above and Louisiana Legislative Auditors testing requirements.

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

15. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

- a) If reimbursed using a per diem, observe 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).
- b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
- d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: The organization is in compliance with the procedure above and Louisiana Legislative Auditors testing requirements.

Contracts

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

Results: The organization is in compliance with the procedure above and Louisiana Legislative Auditors testing requirements.

Payroll and Personnel

17. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
18. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).

- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.
 - c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
19. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.
20. 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.

Results: The organization is in compliance with the procedure above and Louisiana Legislative Auditors testing requirements.

Ethics

21. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
- a. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
22. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Results: The organization is in compliance with the procedure above and Louisiana Legislative Auditors testing requirements.

Debt Service

23. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.
24. 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).

Results: the Organization is a nonprofit organization so this procedure does not apply.

Fraud Notice

25. 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.
26. Observe 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.

Results: The organization is in compliance with the procedure above and Louisiana Legislative Auditors testing requirements.

Information Technology Disaster Recovery/Business Continuity

27. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."
 - a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe 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.
 - b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
28. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees previously obtained. Observe evidence that the selected terminated employees have been removed or disabled from the network.
29. 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:
 - a) Hired before June 9, 2020 - completed the training; and
 - b) Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

Results: We performed the procedures and discussed the results with management.

Sexual Harassment

30. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.
31. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
32. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:
 - a) Number and percentage of public servants in the agency who have completed the training requirements;
 - b) Number of sexual harassment complaints received by the agency;
 - c) Number of complaints which resulted in a finding that sexual harassment occurred;
 - d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - e) Amount of time it took to resolve each complaint.

Results: the Organization is a nonprofit organization so this procedure does not apply.

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

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

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



Daigrepont & Brian, APAC
Baton Rouge, LA

October 30, 2025