

**FRENCH AND MONTESSORI  
EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA**

Annual Financial Statements

June 30, 2025



## **Contents**

---

<b>Independent Auditor's Report</b>	1 - 3
<hr/>	
<b>Financial Statements</b>	
Statement of Financial Position	4
Statement of Activities and Changes in Net Assets	5
Statement of Functional Expenses	6
Statement of Cash Flows	7
Notes to Financial Statements	8 - 23
<hr/>	
<b>Supplementary Information</b>	
Schedule of Board of Directors	25
Schedule of Compensation, Benefits, and Other Payments to Agency Head	26
<hr/>	
<b>Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i></b>	27 - 28
<hr/>	
<b>Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by Uniform Guidance</b>	29 - 31
<hr/>	
<b>Schedule of Expenditures of Federal Awards</b>	32
<hr/>	
<b>Notes to Schedule of Expenditures of Federal Awards</b>	33
<hr/>	
<b>Schedule of Findings and Questioned Costs</b>	34 - 35
<hr/>	
<b>Summary Schedule of Prior Year Findings</b>	36

## Independent Auditor's Report

To the Board of Directors  
French and Montessori Education, Inc.  
d/b/a Audubon Schools  
New Orleans, Louisiana

### ***Opinion***

We have audited the financial statements of French and Montessori Education, Inc. d/b/a Audubon Schools (the Organization), which comprise the statement of financial position as of June 30, 2025, the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying 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 (U.S. GAAP).

### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 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 Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The 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 other schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying supplementary information is fairly stated in all material respects, in relation to the financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2025 on our consideration of the Organization's internal control over financial reporting and 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 black ink that reads "LaForte".

A Professional Accounting Corporation

Covington, LA  
November 30, 2025

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA  
Statement of Financial Position  
June 30, 2025**

---

<b>Assets</b>	
<b>Current Assets</b>	
Cash and Cash Equivalents	\$ 9,525,642
Grants Receivable	503,088
Interest Receivable	5,298
Prepaid Expenses	<u>34,563</u>
<b>Total Current Assets</b>	<u>10,068,591</u>
<b>Other Assets</b>	
Right-of-Use Asset, Net	82,780
Investments	<u>989,409</u>
<b>Total Other Assets</b>	<u>1,072,189</u>
<b>Fixed Assets</b>	
Site Improvements	4,115,337
Machinery, Equipment, Computers	607,633
Construction in Progress	1,876,411
Accumulated Depreciation	<u>(3,975,719)</u>
<b>Total Fixed Assets, Net</b>	<u>2,623,662</u>
<b>Total Assets</b>	<u>\$ 13,764,442</u>
<b>Liabilities and Net Assets</b>	
<b>Current Liabilities</b>	
Accounts Payable	\$ 904,568
Accrued Expenses	1,128,443
Finance Lease Liability, Current Portion	43,439
Loan Payable, Current Portion	<u>93,872</u>
<b>Total Current Liabilities</b>	<u>2,170,322</u>
<b>Long-Term Liabilities</b>	
Finance Lease Liability, Net of Current Portion	44,764
Loan Payable, Long-Term	<u>1,425,947</u>
<b>Total Long-Term Liabilities</b>	<u>1,470,711</u>
<b>Total Liabilities</b>	<u>3,641,033</u>
<b>Net Assets</b>	
Without Donor Restrictions	9,901,911
With Donor Restrictions	<u>221,498</u>
<b>Total Net Assets</b>	<u>10,123,409</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 13,764,442</u>

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

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA  
Statement of Activities and Changes in Net Assets  
For the Year Ended June 30, 2025**

	<b>Without Donor Restrictions</b>	<b>With Donor Restricted</b>	<b>Total</b>
<b>Revenue, Grants, Support, and Gains</b>			
State and Local Public School Funding	\$ 20,006,739	\$ -	\$ 20,006,739
Federal Grants	1,859,754	-	1,859,754
Student Activity Revenue	656,436	-	656,436
Grants and Contributions	153,441	140,800	294,241
Interest Income	31,306	-	31,306
Other Income	21,376	-	21,376
Fee Revenue	30,054	-	30,054
<b>Total Revenue, Grants, Support, and Gains</b>	<b>22,759,106</b>	<b>140,800</b>	<b>22,899,906</b>
<b>Expenses</b>			
<b>Program Services</b>			
Student Instruction and Activities	18,365,416	-	18,365,416
<b>Supporting Services</b>			
Management and General	3,194,486	-	3,194,486
<b>Total Expenses</b>	<b>21,559,902</b>	<b>-</b>	<b>21,559,902</b>
<b>Other Increases (Decreases)</b>			
Transfers	(80,698)	80,698	-
<b>Change in Net Assets</b>	<b>1,118,506</b>	<b>221,498</b>	<b>1,340,004</b>
<b>Net Assets, Beginning of Year</b>	<b>8,783,405</b>	<b>-</b>	<b>8,783,405</b>
<b>Net Assets, End of Year</b>	<b>\$ 9,901,911</b>	<b>\$ 221,498</b>	<b>\$ 10,123,409</b>

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

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA  
Statement of Functional Expenses  
For the Year Ended June 30, 2025**

	<b>Program Services</b>	<b>Supporting Services</b>		<b>Total</b>
	<b>Student Instruction</b>	<b>Management</b>	<b>and General</b>	
Salaries	\$ 9,433,337	\$ 1,403,795		\$ 10,837,132
Benefits	2,669,022		413,143	3,082,165
Purchased Services	1,726,411		546,465	2,272,876
Food Service	854,372		-	854,372
Depreciation and Amortization	745,175		-	745,175
Student Transportation	665,273		-	665,273
Materials	499,707		104,464	604,171
Repairs and Maintenance	569,361		33,116	602,477
Insurance	-		539,179	539,179
Other Expenses	341,112		146,985	488,097
Dues	333,064		-	333,064
Utilities	273,948		-	273,948
Rentals	101,307		7,339	108,646
Debt Service	83,493		-	83,493
Travel	40,590		-	40,590
Disposal	29,244		-	29,244
<b>Total Expenses</b>	<b>\$ 18,365,416</b>		<b>\$ 3,194,486</b>	<b>\$ 21,559,902</b>

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

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA  
Statement of Cash Flows  
For the Year Ended June 30, 2025**

---

<b>Cash Flows from Operating Activities</b>	
Change in Net Assets	\$ 1,340,004
Adjustments to Reconcile Change in Net Assets to	
Net Cash Provided by Operating Activities	
Net Realized and Unrealized Gain on Investments	(21,376)
Depreciation of Fixed Assets	745,175
Amortization of Right-of-Use Asset	41,400
(AIncrease) Decrease in Assets	
Grants Receivable	560,986
Interest Receivable	(2,235)
Prepaid Expenses	34,097
Increase (Decrease) in Liabilities	
Accounts Payable	576,842
Accrued Expenses	350,638
<b>Total Adjustments</b>	<u>2,285,527</u>
<b>Net Cash Provided by Operating Activities</b>	<u>3,625,531</u>
<b>Cash Flows from Investing Activities</b>	
Purchases of Investments	(420,935)
Purchases of Fixed Assets	<u>(1,762,849)</u>
<b>Net Cash Used in Investing Activities</b>	<u>(2,183,784)</u>
<b>Cash Flows from Financing Activities</b>	
Payments on Loan Payable	(89,016)
Principal Payments on Finance Leases	<u>(42,153)</u>
<b>Net Cash Used in Financing Activities</b>	<u>(131,169)</u>
<b>Net Increase in Cash and Cash Equivalents</b>	1,310,578
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>8,215,064</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 9,525,642</u>
<b>Supplemental Disclosure of Cash Flow Information</b>	
Cash Paid During the Year for Interest	<u>\$ 83,493</u>

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

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

---

**Note 1. Summary of Significant Accounting Policies**

**Organization**

French and Montessori Education, Inc. d/b/a Audubon Schools (the Organization) was created as a non-profit corporation under the laws of the State of Louisiana on October 28, 2005. The Organization operates two Type 3 charter schools with the Orleans Parish School Board (OPSB). The formation of the Organization was in response to the devastation left by Hurricane Katrina.

On January 12, 2006, the OPSB approved the charter of Audubon Charter School, d/b/a Audubon Uptown, Audubon Upper, and Audubon Lower. The initial charter was granted for five years and was subsequently renewed for another five-year term during 2011. On May 20, 2017, the Organization entered into a ten (10) year charter school operating agreement for Audubon Charter School with the OPSB commencing July 1, 2017 and expiring June 30, 2027. Under this new agreement, Audubon Charter School will operate as its own Local Education Authority (LEA). This school serves eligible students in pre-kindergarten through eighth grade. The Organization has leases with the OPSB to operate various campuses for Audubon Charter School, both of which expire on June 30, 2027 (See Note 9).

On April 21, 2018, the OPSB approved the charter of Audubon Schools Gentilly, d/b/a Audubon Gentilly. The initial charter was granted for five years expiring June 30, 2023. On July 1, 2023, the charter was renewed for an additional three years expiring June 30, 2026. Under this charter agreement, Audubon Schools Gentilly will operate as its own LEA. This school serves eligible students in pre-kindergarten through eighth grade. The Organization has a lease with the OPSB to operate Audubon Gentilly which expires on June 30, 2026 (See Note 9).

A summary of the Organization's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

**Basis of Net Asset Presentation**

The Organization reports information regarding its financial position and activities according to two classes of net assets:

*Net Assets Without Donor Restrictions* - Net assets for general use that are not subject to donor-imposed restrictions.

*Net Assets With Donor Restrictions* - Net assets whose use is limited by donor-imposed time and/or purpose restrictions. Once expended for their restricted purpose, these restricted net assets are released to net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from restrictions.

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

---

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Basis of Accounting**

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported on the financial statements. The financial statements of the Organization are prepared on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred.

**Use of Estimates**

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Revenues**

State Public School Funding

The Organization's primary source of funding is through the State Public School Fund (the State) and the OPSB. The Organization received \$20,004,674 from the State and OPSB based on eligible students in attendance paid on a monthly basis. State and federal grants are on a cost reimbursement basis. An accrual is made when eligible expenses are incurred.

Federal and State Grants

Federal and state grants are on a cost reimbursement basis. An accrual is made when eligible expenses are incurred. The Organization received \$1,859,754 in various federal grants and \$-0- in various state grants during the year. Substantially all of the Organization's federal and state grants were passed through the Louisiana Department of Education.

Private Grants and Contributions

Private grants and contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. The Organization will not recognize a conditional promise to give until the conditions on which the promise depends are substantially met. Contributions are reported as increases in net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. When restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from restrictions.

Contributions expected to be collected in less than one year are reported at net realizable value. Those expected to be collected in more than one year are recorded at fair value at the date of the promise and are discounted at an appropriate discount rate. Future amortization of the discount will be included in contribution revenue. Management closely monitors outstanding balances and writes off any balances deemed uncollectible.

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

---

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Revenues (Continued)**

Other Income

Revenue from other sources, including student activities and fees, fundraisers, facility rentals, and after-care tuition, are recorded and recognized as revenue in the period in which the Organization provides the service at the amount that reflects the consideration to which the Organization expects to be entitled for providing the service or good.

Contracts vs. Contributions

The Organization utilizes the guidance in Accounting Standards Update (ASU) 2018-08 in the assessment of whether a revenue is an exchange transaction (contract) or contribution (non-contract) and considers factors including commensurate value received, reciprocity, and donor-imposed conditions. Performance obligations are determined based on the nature of the services provided by the Organization. Revenue from performance obligations satisfied over time is recognized based on actual time incurred in relation to the total expected period of providing the service, which is deemed to be the school year, which is simultaneous with the fiscal year. The Organization believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to student activities and fees, after-care tuition, and pre-kindergarten tuition. The Organization measures the performance obligation throughout the school year. Revenue for performance obligations satisfied at a point in time, which include mainly income from meals and are generally immaterial, are recognized when services are provided. The Organization determines the transaction price based on standard charges for goods or services provided to students, which are predetermined by management. Fees are generally nonrefundable, and total refunds issued annually are considered negligible.

**Functional Expenses**

The costs of providing activities have been summarized on a functional basis in the statement of activities and changes in net assets. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses are allocated on a reasonable basis that is consistently applied. When possible, expenses are first allocated by direct identification and then allocated if an expenditure benefits more than one program or function. The expenses that are allocated are allocated on the basis of estimates of time and effort or on the basis of student count. There were no such allocated expenses during the year ended June 30, 2025.

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

---

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Grants and Contributions Receivable**

Private grants and contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. The Organization will not recognize a conditional promise to give until the conditions on which the promise depends are substantially met. Grants and contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the year in which the contributions are recognized. All other donor-restricted grants and contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions.

The Organization uses the allowance method to determine uncollectible promises to give. Management does not estimate any amounts to be uncollectible. Grants and contributions receivable due in more than one year are recognized at fair value. The Organization uses a discount rate based on the U.S. treasury bill rate to discount long-term promises to give when the donor makes an unconditional promise to give to the Organization. As of June 30, 2025, there were no discounted long-term promises to give.

**Cash and Cash Equivalents**

During the year, cash and cash equivalents may consist of both unrestricted and restricted balances. Unrestricted cash balances represent cash available for general operating purposes. Restricted cash balances consist of amounts credited to the Organization's bank accounts from donations received from individuals or entities who specified the use of the contribution.

**Statement of Cash Flows**

For purposes of the statement of cash flows, the Organization considers all investments purchased with an original maturity of three months or less to be cash equivalents. At June 30, 2025, the Organization held cash equivalents in money market funds comprised of governmental securities. See Note 2.

**Fair Values of Financial Instruments**

The Organization follows the provisions of the *Fair Value Measurement* Topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Accordingly, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

---

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Fair Values of Financial Instruments (Continued)**

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

The three levels of the fair value hierarchy under Topic 820 are described as follows:

**Level 1** Inputs to the valuation methodology are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization can access at the measurement date

**Level 2** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, such as:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full-term of the asset or liability.

**Level 3** Inputs that are unobservable inputs for the asset or liability.

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

---

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Fair Values of Financial Instruments (Continued)**

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2025:

1. *Corporate Bonds* - Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing the value on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, those corporate bonds are valued under a discounted cash flow approach that maximizes observable inputs, such as current yields or similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks.
2. *U.S. Government and Agency Securities* - Valued using pricing models maximizing the use of observable inputs for similar securities.

The table in Note 8 sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of June 30, 2025. Classification within the fair value hierarchy table is based on the lowest level of any input that is significant to the fair value measurement.

**Investments**

In accordance with the *Not-for-Profit Entities* Topic of the FASB ASC, the Organization's investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair value in the statement of financial position. Unrealized and realized gains and losses are included in the change in net assets. Investments, consisting of certificates of deposit with original maturities greater than three months, are reported at original cost plus accrued interest. Dividend and interest income are accrued when earned.

**Fixed Assets and Depreciation**

Fixed assets are recorded at historical cost or estimated historical cost if historical cost is not available. Betterments that naturally add to the value of related assets or materially extend the useful lives of assets are capitalized. Normal building maintenance and minor equipment purchases are included as expenses of the Organization. Depreciation expense for the year ended June 30, 2025 was \$745,175.

**Income Taxes**

The Organization is recognized by the Internal Revenue Service as a Section 501(c)(3) tax-exempt organization. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income.

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

---

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Income Taxes (Continued)**

Accounting principles generally accepted in the United States of America provide accounting and disclosure guidance about positions taken by an entity in its tax returns that might be uncertain. The Organization believes that it has appropriate support for any tax positions taken, and management has determined that there are no uncertain tax positions that are material to the financial statements.

Penalties and interest assessed by income taxing authorities, if any, are included in income tax expense.

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

**Concentrations**

For the year ended June 30, 2025, the Organization received 87% of its revenues from the Louisiana Department of Education, subject to its charter school contracts with the OPSB.

All of the students and employees of the Organization live in the Greater New Orleans area.

Custodial credit risk is the risk that, in the event of a bank failure, the Organization's deposits may not be recovered. The Organization periodically maintains cash in bank accounts in excess of insured limits. As of June 30, 2025, the Organization's bank balances were \$9,467,068. Balances insured by the Federal Deposit Insurance Corporation (FDIC), which covers the total balance of accounts up to \$250,000 per financial institution, totaled \$701,512. Deposits of \$8,765,556 were uninsured and subject to custodial credit risk as of June 30, 2025. Of the uninsured deposits, \$1,500,000 was collateralized by securities pledged by one of the Organization's financial institutions, resulting in \$7,265,556 in deposits remaining uninsured and uncollateralized. In addition, \$13,864 was held in a money market fund comprised of governmental securities which, therefore, is not subject to custodial credit risk at June 30, 2025.

**Reversionary Interest in Funds and Assets**

All funds received from the Louisiana Department of Education, United States Department of Education, or other state or federal agencies are to be used for educational purposes as described in the Organization's charter agreement and grant awards. These agencies, however, have a reversionary interest in these funds, as well as any assets acquired with these funds. Should the charter agreement not be renewed, those funds and assets will transfer to the appropriate agency.

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

---

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Leases**

The Organization recognizes leases in accordance with ASU 2016-02, *Leases (Topic 842)*. Topic 842 requires lessees to recognize most leases on their statement of financial position as a right-of-use (ROU) asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term, measured on a discounted basis. Topic 842 also requires additional disclosure of key quantitative and qualitative information for leasing arrangement and provides for a distinction between finance leases and operating leases, with classification affecting the pattern of expense recognition in the statement of activities and changes in net assets.

The Organization determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract, and (ii) the Organization obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Organization also considers whether its service arrangements include the right to control the use of an asset.

The Organization made an accounting policy election available under Topic 842 not to recognize ROU assets and lease liabilities for leases with a term of 12 months or less. For all other leases, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease.

The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives. To determine the present value of lease payments, the Organization made an accounting policy election available to non-public companies to utilize a risk-free rate, which is aligned with the lease term at the lease commencement date or remaining term for leases existing upon the adoption of Topic 842.

**Liquidity and Availability**

The Organization's objective is to maintain liquid financial assets without donor restrictions sufficient to cover 60 days of program expenditures. The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments. Expenditures are generally met within 30 days, utilizing the financial resources the Organization has available. In addition, the Organization operates with a budget to monitor sources and use of funds throughout the year.

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

---

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Liquidity and Availability (Continued)**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Cash and Cash Equivalents	\$ 9,525,642
Grants Receivable	503,088
Interest Receivable	<u>5,298</u>
Financial Assets at Year End	10,034,028
Less Those Unavailable for General Expenditures:	
Net Assets with Donor Restrictions	<u>(221,498)</u>
<b>Total</b>	<b>\$ 9,812,530</b>

**Note 2. Cash and Cash Equivalents**

The following table provides a reconciliation of cash and restricted cash reported within the statement of financial position at June 30, 2025 that sum to the total of the same such amounts shown in the statement of cash flows:

Cash and Cash Equivalents	\$ 9,511,778
Cash Equivalents, Money Market Funds	<u>13,864</u>
<b>Total Cash and Cash Equivalents</b>	<b>\$ 9,525,642</b>

The Organization's cash and restricted cash (book balances) at June 30, 2025 are stated at cost and approximates market.

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

---

**Note 3. Investments**

Investments consisted of the following as of June 30, 2025:

	<b>Fair Market Value</b>	<b>Cost or Assigned Amount</b>
U.S. Treasury Bonds	\$ 252,083	\$ 259,268
Corporate Bonds	159,336	171,263
Mortgage Pass-Through Securities	71,414	85,367
Certificates of Deposit	506,576	507,000
<b>Total</b>	<b>\$ 989,409</b>	<b>\$ 1,022,898</b>

**Note 4. Grants Receivable**

As of June 30, 2025, gross grants receivable totaled \$503,088, which include receivables for Minimum Foundation Program (MFP) payments, private grants and contributions receivable, and receivables for federal grants and state grants passed through the Louisiana Department of Education. All receivables are considered to be fully collectible.

**Note 5. Accrued Expenses**

Accrued expenses consisted of the following as of June 30, 2025:

Payroll Deductions and Withholdings	\$ 277,918
Accrued Payroll	702,348
Other Accrued Expenses	148,177
<b>Total</b>	<b>\$ 1,128,443</b>

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

---

**Note 6. Debt**

**Term Loan**

During July 2019, the Organization entered into a construction line of credit and term loan agreement with a bank. The agreement provides for a non-revolving line of credit loan up to \$4,800,000, subject to construction project cost limits. The non-revolving line of credit loan incurs a variable interest rate and matured on July 26, 2021. Upon maturity, the non-revolving line of credit loan converted to a term loan, which is payable in monthly installments beginning August 26, 2021, incurs an interest rate of 5.25%, and matures on July 26, 2029. The outstanding balance on the loan was \$1,519,819 as of June 30, 2025.

The agreement is subject to various covenants and is collateralized by a mortgage. For the year ended June 30, 2025, the Organization reported to its financial institution that it was in compliance with these covenants.

Maturities of this term loan as of June 30, 2025 are as follows:

<b>Year Ended June 30,</b>	<b>Amount</b>
2026	\$ 93,872
2027	98,992
2028	104,206
2029	110,076
2030	<u>1,112,673</u>
<b>Total</b>	<b><u>\$ 1,519,819</u></b>

**Note 7. Retirement Plans**

**Teachers' Retirement System of Louisiana (TRSL)**

Certain employees of the Organization participate in the Teachers' Retirement System of Louisiana (TRSL). The TRSL is a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. Pertinent information relative to the plan follows.

***Plan Description***

The TRSL provides retirement benefits as well as disability and survivor benefits. Ten years of service credit are required to become vested for retirement benefits, and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The TRSL issues a publicly available financial report that includes financial statements and required supplementary information for the TRSL. That report may be obtained by writing to the Teachers' Retirement System of Louisiana, P.O. Box 94123, Baton Rouge, LA 70804-9123. At June 30, 2025 and 2024, the TRSL was 80.2% and 76.0% funded, respectively.

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

---

**Note 7. Retirement Plans**

**Teachers' Retirement System of Louisiana (TRS) (Continued)**

***Funding Policy***

Plan members are required to contribute 8% of their annual covered salary. The Organization is required to contribute at an actuarially determined rate. During the year ended June 30, 2025, the employer contribution rate was 21.5%. Member contributions and employer contributions for the TRS are established by state law, and rates are established by the Public Retirement System's Actuarial Committee. The Organization's contribution to the plan for the year ended June 30, 2025 was \$1,648,906.

**403(b) Plan**

During January 2018, the Organization established a 403(b) plan which went into effect on August 1, 2018. Certain employees of the Organization participate in this 403(b) plan sponsored by the Organization. Eligible employees may contribute up to the maximum allowed by the Internal Revenue Service. The 403(b) plan offers a discretionary match which is determined annually by the Organization. The 403(b) plan also offers a discretionary employer contribution, which is determined annually by the Organization. Eligible employees become fully vested in their allocated discretionary matching and employer contributions after four years of service with the Organization. The Organization's contribution to the plan for the year ended June 30, 2025 was \$58,638.

**Note 8. Fair Value of Financial Instruments**

The Organization's assets recorded at fair value have been categorized based upon a fair value hierarchy in accordance with the *Fair Value Measurement* Topic of the FASB ASC. See Note 1 for a description of the Organization's accounting policies and valuation procedures.

The valuation of the Organization's assets measured at fair value on a recurring basis at June 30, 2025 were as follows:

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Fair Value</b>	
				<b>Total</b>	
<b>Investments</b>					
U.S. Treasury Bonds	\$ 252,083	\$ -	\$ -	\$ 252,083	
Corporate Bonds	159,336	-	-	159,336	
Mortgage Pass-Through Securities	-	71,414	-	71,414	
Certificates of Deposit	-	506,576	-	506,576	
<b>Total Investments</b>	<b>\$ 411,419</b>	<b>\$ 577,990</b>	<b>\$ -</b>	<b>\$ 989,409</b>	

The FASB issued an ASU pertaining to *Fair Value Measurement and Disclosures for Investments in Certain Entities that Calculate Net Asset Value per Share*. Fair values are determined by the use of calculated net asset value per ownership share.

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

---

**Note 8. Fair Value of Financial Instruments (Continued)**

The following disclosure is made in accordance with the requirements of the *Financial Instruments* Topic of the FASB ASC. Financial instruments are defined as cash and contractual rights and obligations that require settlement, directly or indirectly, in cash.

Carrying amounts of financial instruments which approximate fair value are as follows at June 30, 2025:

	<b>Carrying Amount</b>	<b>Fair Value</b>
<b>Financial Assets</b>		
Cash and Cash Equivalents	\$ 9,525,642	\$ 9,525,642
Grant Receivables	503,088	503,088
Interest Receivable	5,298	5,298
Investments	989,409	989,409
<b>Financial Liabilities</b>		
Accounts Payable	904,568	904,568
Accrued Expenses	1,128,443	1,128,443

**Note 9. Leases**

**Charter School Leases**

The Organization has three (3) lease agreements with the OPSB which allow the Organization to use the facilities and contents of various school sites in New Orleans, Louisiana. The addresses and expirations are as follows:

- 4720 Painters Street, expiring June 30, 2026
- 3128 Constance Street, expiring June 30, 2027
- 4285 Broadway Street, expiring June 30, 2027

All of the aforementioned leases call for payments based on a Use Fee and participation in OPSB's Per Pupil Unit Cost Program. The Use Fee is calculated annually and withheld from MFP funds by OPSB. The calculation is based on each charter schools per pupil share of the actual costs of property, boiler and machinery, terrorism, disaster management and flood insurance of all OPSB-controlled school facilities participating in the Per Pupil Unit Cost Program, and includes any insurance brokerage fee, unrelated to recovery of capital costs or depreciation that would be recovered in a traditional lease relationship.

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

---

**Note 9. Leases (Continued)**

**Charter School Leases (Continued)**

All of the aforementioned leases are contingent upon the existence of the charter operating agreements between the Organization and the OPSB.

Use of the properties in the aforementioned leases is not recorded as an in-kind contribution from, or related rent expense to, the OPSB as the value of the use of the land and building is not readily determinable.

**Finance Leases**

The Organization leases equipment under a finance lease agreement with an initial term of 5 years and an interest rate of 3.01%. The Organization's finance leases generally do not contain any material restrictive covenants or residual value guarantees.

Finance lease cost is recognized as a combination of the amortization expense for the ROU assets and interest expense for the outstanding lease liabilities, and results in a front-loaded expense pattern over the lease term. The components of lease expense are as follows for the year ended June 30, 2025:

Finance Lease Cost - Amortization of Right-of-Use Assets	\$ 41,400
Finance Lease Cost - Interest on Lease Liabilities	<u>3,231</u>
<b>Total Lease Cost</b>	<b><u>\$ 44,631</u></b>

Supplemental statement of financial position information related to leases is as follows as of June 30, 2025:

<b>Finance Leases Right-of-Use Assets, Net</b>	
Equipment	<u>\$ 82,790</u>

<b>Total Finance Lease Right-of-Use Assets, Net</b>	<b><u>\$ 82,790</u></b>
---	-------------------------

**Other Information**

**Weighted Average Remaining Lease Term (in Years)**

Finance Leases	2.0
----------------	-----

**Weighted Average Discount Rate**

Finance Leases	3.01%
----------------	-------

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

---

**Note 9. Leases (Continued)**

Future undiscounted cash flows for each of the next three years and a reconciliation of the lease liabilities recognized on the statement of financial position are as follows as of June 30, 2025:

<b>Year Ending</b> <b>June 30,</b>	<b>Finance</b>
2026	\$ 45,384
2027	<u>45,384</u>
Total Lease Payments	90,768
Less: Imputed Interest	<u>(2,565)</u>
<b>Total Present Value of Lease Liabilities</b>	<b><u>\$ 88,203</u></b>

**Note 10. Net Assets with Donor Restrictions**

Net assets with donor restrictions are restricted by donors for specific programs, purposes, student activities, or to assist specific departments of the Organization. These restrictions are considered to expire when payments for restricted purposes are made. Certain net assets with donor restrictions are time-restricted by donors. As of June 30, 2025, the Organization has net assets totaling \$221,498 with donor restrictions.

**Note 11. Commitments and Contingencies**

In the normal course of business, the Organization is periodically engaged in various legal proceedings incidental to its normal business activities. The resolution of such matters is not expected to have a material adverse effect on the Organization's financial position, statement of activities and changes in net assets, or cash flows.

The Organization is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; injuries and illnesses; natural disasters; and health and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters. There were no settled claims that exceeded this commercial coverage during the year ended June 30, 2025.

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA**

**Notes to Financial Statements**

---

**Note 12. Charter Management Operator (CMO Fees)**

As the administrator of the schools, the Organization incurs and records overhead costs on behalf of all of its schools. Management of the Organization estimates an allocable amount of these costs to be charged to the schools on an annual basis using a predetermined rate and student head count. CMO fees allocated and charged to schools during the year ended June 30, 2025 have been eliminated from other income and management and general expenses on the accompanying statement of activities and changes in net assets.

**Note 13. Subsequent Events**

Management has evaluated subsequent events through the date that the financial statements were available to be issued, November 30, 2025, and determined that the following events occurred that require disclosure:

On July 1, 2025, the Organization entered into a Partnership Agreement with the East Baton Rouge Parish School Board (the Board), effective for one year through June 30, 2026, to manage a K-5 school at a facility located in Baton Rouge. The Organization will manage the school with the oversight of the Board and be responsible for all personnel, budget, curriculum decisions and implementation of the curriculum. Under the terms of this agreement, the Board will reimburse the Organization monthly for MFP funds provided by the State Board of Elementary and Secondary Education (BESE) and corresponding local per-pupil funds based on specified enrollment counts, less an administrative fee.

No further subsequent events occurring after November 30, 2025 have been evaluated for inclusion in these financial statements.

## **SUPPLEMENTARY INFORMATION**

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA  
Schedule of Board of Directors  
For the Year Ended June 30, 2025**

<b>Board Members</b>	<b>Compensation</b>
Lourdes Moran (Board Chair)	\$-0-
Kevin Wilkins (Vice Chair)	\$-0-
Darleen Mipro (Secretary)	\$-0-
Harold "Trey" LeBlanc (Treasurer)	\$-0-
Nicholas Peddle (French Parent Representative)	\$-0-
Michael Newcomer (Montessori Parent Representative)	\$-0-
Chan Tucker (Gentilly Parent Representative)	\$-0-
Ben Levine	\$-0-

See independent auditor's report.

**FRENCH AND MONTESSORI EDUCATION, INC.**

**D/B/A AUDUBON SCHOOLS**

**NEW ORLEANS, LOUISIANA**

**Schedule of Compensation, Benefits, and Other Payments**

**to Agency Head**

**For the Year Ended June 30, 2025**

---

**Agency Head**

Dr. Steven Corbett, CEO

<b>Purpose</b>	<b>Amount</b>
Salary	\$212,939
Benefits-Health Insurance	\$0
Benefits-Retirement	\$47,234
Deferred Compensation	\$0
Workers Comp	\$0
Benefits-Life Insurance	\$32
Benefits-Long Term Disability	\$191
Benefits-Short Term Disability	\$382
Benefits-FICA And Medicare	\$3,166
Car Allowance	\$0
Vehicle Provided By Government	\$0
Cell Phone	\$0
Dues	\$0
Vehicle Rental	\$0
Per Diem	\$0
Reimbursements	\$1,171
Travel	\$0
Registration Fees	\$0
Conference Travel	\$0
Unvouchered Expenses	\$0
Meetings And Conventions	\$0
Other	\$0

See independent auditor's report.

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

Independent Auditor's Report

To the Board of Directors  
French and Montessori Education, Inc.  
d/b/a Audubon Schools  
New Orleans, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of French and Montessori Education, Inc. d/b/a Audubon Schools (the Organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 30, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the 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 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 Organization's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

## **Report on Compliance and Other Matters**

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

## **Purpose of this Report**

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

Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

A handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

Covington, LA

November 30, 2025

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM  
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY UNIFORM GUIDANCE**

Independent Auditor's Report

To the Board of Directors  
French and Montessori Education, Inc.  
d/b/a Audubon Schools  
New Orleans, Louisiana

**Report on Compliance for the Major Federal Program**

***Opinion on the Major Federal Program***

We have audited French and Montessori Education, Inc. d/b/a Audubon Schools' (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 the Organization's major federal program for the year ended June 30, 2025. The Organization's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, 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 its major federal program for the year ended June 30, 2025.

***Basis for Opinion on the Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 responsibility 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 the 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting a 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 the major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding 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.

A handwritten signature in black ink that reads "LaForte".

A Professional Accounting Corporation

Covington, LA  
November 30, 2025

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2025**

<b>Federal Grantor/Pass-Through Grantor Program Title</b>	<b>Assistance Listing Number</b>	<b>Grantor's Number</b>	<b>Federal Expenditures</b>
<b><u>United States Department Agriculture</u></b>			
Passed through the Louisiana Department of Education			
Child Nutrition Cluster			
National School Lunch Program *	10.553/10.555/10.559*	N/A	\$ 749,920
Total Child Nutrition Cluster			749,920
<b>Total United States Department of Agriculture</b>			<b>749,920</b>
<b><u>United States Department of Education</u></b>			
Passed through the Louisiana Department of Education			
Title I Grants to Local Education Agencies (LEAs)	84.010A	28-25-T1-(WZ, WY)	596,665
Title III-English Language Acquisition State Grants	84.365A	28-25-60-(WY,WZ)	9,991
Total Title Grants to Local Educational Agencies			606,656
COVID-19 - Elementary and Secondary School Emergency Relief (ESSER_III_Intervention)	84.425U	28-21-ES3F-(WZ, WY)	40,905
Total Education Stabilization Fund			40,905
Special Education - IDEA Part B 611	84.027A	28-24-B1-(WZ, WY)	364,590
Special Education - IDEA PreK	84.173A	28-25-P1-(WZ, WY)	11,312
Special Education Grants to States (HCS Rd 1)	84.027S	28-25-RK-(WZ, WY)	35,878
Special Education Grants to States (HCS Rd 2)	84.027A	28-25-RK-(WZ, WY)	50,493
Total Special Education Cluster (IDEA)			462,273
<b>Total United States Department of Education</b>			<b>1,109,834</b>
<b>Total Expenditures of Federal Awards</b>			<b>\$ 1,859,754</b>

\* Denotes Major Program

See notes to schedule of expenditures of federal awards

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA**

**Notes to Schedule of Expenditures of Federal Awards**

---

**Note 1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Organization and is presented on the accrual basis of accounting. 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).

**Note 2. Indirect Cost Rate**

The Organization did not include any expenditures related to indirect cost rate calculations nor any 10% de minimis cost rate calculations in its schedule of expenditures of federal awards as there were no indirect cost rates utilized as part of the federal grant activity.

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2025**

---

**Section I. Summary of Auditor's Results**

Financial Statements

1) Type of auditor's report	Unmodified
2) Internal control over financial reporting and compliance and other matters	
a) Material weaknesses identified?	No
b) Significant deficiencies identified not considered to be material weaknesses?	No
c) Noncompliance noted?	No
3) Management letter comment provided?	None

Federal Awards

4) Internal control over major programs	
a) Material weaknesses identified?	No
b) Significant deficiencies identified not considered to be material weaknesses?	None reported
5) Type of auditor's report issued on compliance for major programs	Unmodified
6) Any audit findings that are required to be reported in accordance with 2 CFR 200.516(a)?	No
7) Identification of major programs	
Child Nutrition Cluster (10.553/10.555/10.559)	
8) Dollar threshold used to distinguish between Type A and B programs	\$750,000
9) Auditee qualified as a low-risk auditee under Uniform Guidance	Yes

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA  
Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2025**

---

**Section II. Internal Control Over Financial Reporting**

None.

**Section III. Findings and Questioned Costs Related to Major Federal Award Programs**

None.

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA  
Summary Schedule of Prior Year Findings  
For the Year Ended June 30, 2025**

---

**Section II. Internal Control Over Financial Reporting**

None.

**Section III. Compliance and Other Matters**

None.

## AGREED-UPON PROCEDURES REPORT

French and Montessori Education, Inc.  
d/b/a Audubon Schools

Independent Accountant's Report  
On Applying Agreed-Upon Procedures

**For the Period July 1, 2024 - June 30, 2025**

To French and Montessori Education, Inc.  
d/b/a Audubon Schools (the Organization) 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) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2024 through June 30, 2025. French and Montessori Education, Inc. d/b/a Audubon Schools (the Organization)'s 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 the LLA's SAUPs for the fiscal period July 1, 2024 through June 30, 2025. Additionally, the LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

### **1) Written Policies and Procedures**

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

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

- ii. **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
- iii. **Disbursements**, including processing, reviewing, and approving.
- iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- viii. **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

**Results:** The Organization's policies and procedures did not address how vendors are added to the system for purchasing. The Organization's disaster recovery/business continuity plan does not address period testing/verification that backups can be restored. All other applicable functions were addressed in the Organization's policies and procedures. The Organization has determined that the Debt Service (x.) and Sexual Harassment (xii.) functions were not applicable.

## **2) Board or Finance Committee**

---

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

**Results:** No exceptions were observed as a result of performing these procedures.

## **3) Bank Reconciliations**

---

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

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

**Results:** Bank reconciliations included evidence that they were prepared within 2 months of the related statement closing date. Reconciliations were not reviewed by a member of management/board member who does not issue checks. For the five accounts selected, we could not observe written evidence that the bank reconciliations were reviewed within one month of the date the reconciliation was prepared.

#### **4) Credit Cards/Debit Cards/Fuel Cards/P-Cards**

---

- A. 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.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
  - i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
  - ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under #4B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

**Results:** For procedure 4C, of the 40 transaction selected, the Organization could not produce a receipt for 1 transaction for a food purchase. Management's compensating control is the review of monthly credit card statements. No other exceptions were observed as a result of performing these procedures.

## **5) Travel and Travel-Related Expense Reimbursements (excluding card transactions)**

---

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, 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:
  - i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).
  - ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
  - iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1viii).
  - iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

**Results:** The Organization has determined that this section is not applicable as there were no travel-related reimbursements.

## **6) Ethics**

---

- A. Using the 5 randomly selected employees/officials from procedure "Payroll and Personnel" obtain ethics documentation from management, and:
  - i. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
  - ii. Observe that the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

**Results:** No exceptions were observed as a result of performing these procedures.

- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

**Results:** The Organization has determined that this section is not applicable.

## **7) Debt Service**

---

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued.
- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

**Results:** The Organization has determined that this section is not applicable.

## **8) Information Technology Disaster Recovery/Business Continuity**

---

- A. Perform the following procedures, **verbally discuss the results with management, and report: "We performed the procedures and discussed the results with management."**
  - i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
  - ii. 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.
  - iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure "Payroll and Personnel." Observe evidence that the selected terminated employees have been removed or disabled from the network.
- C. Using the 5 randomly selected employees/officials from "Payroll and Personnel" procedure obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:
  - Hired before June 9, 2020 - completed training; and
  - 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.

## **9) Prevention of Sexual Harassment**

---

- A. Using the 5 randomly selected employees/officials from “Payroll and Personnel” procedures, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity’s premises if the entity does not have a website).
- C. Obtain the entity’s annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1<sup>st</sup>, and observe that it includes the applicable requirements of R.S. 42:344:
  - i. Number and percentage of public servants in the agency who have completed the training requirements;
  - ii. Number of sexual harassment complaints received by the agency;
  - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
  - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
  - v. Amount of time it took to resolve each complaint.

**Results:** The Organization has determined that this section is not applicable.

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.



A Professional Accounting Corporation

Covington, LA  
November 30, 2025

**FRENCH AND MONTESSORI  
EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA**

Agreed-Upon Procedures  
R.S. 24:514 - Performance and Statistical Data

June 30, 2025



<b>Contents</b>	<b>Schedule</b>	<b>Page</b>
<b>Independent Accountant's Report on Applying Agreed-Upon Procedures</b>		1 - 3
<hr/>		
<b>Schedules Required by Louisiana State Law (R.S. 24:514 - Performance and Statistical Data)</b>		4
General Fund Instructional and Support Expenditures and Certain Local Revenue Sources	1	5
Class Size Characteristics	2	6

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

To the Board of Directors  
French and Montessori Education, Inc.  
d/b/a Audubon Schools  
New Orleans, Louisiana

We have performed the procedures enumerated below on the performance and statistical data accompanying the annual financial statements of the French and Montessori Education, Inc., d/b/a Audubon Schools (the Organization) for the fiscal year ended June 30, 2025; and to determine whether the specified schedules are free of obvious errors and omissions, in compliance with Louisiana Revised Statute 24:514 I. Management of 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.

The procedures and associated findings are as follows:

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

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

**Findings:** None.

### Class Size Characteristics (Schedule 2)

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

**Findings:** None.

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

3. We obtained October 1<sup>st</sup> 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.

**Findings:** None.

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

4. We obtained June 30<sup>th</sup> 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).

**Findings:** None.

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.

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

A handwritten signature in black ink that reads "LaForte".

A Professional Accounting Corporation

Covington, LA  
November 30, 2025

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA  
Schedules Required by Louisiana 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.

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA  
General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources  
For the Year Ended June 30, 2025**

**Schedule 1**

**General Fund Instructional and Equipment Expenditures**

**General Fund Instructional Expenditures**

**Teacher and Student Interaction Activities**

Classroom Teacher Salaries	\$ 4,862,265
Other Instructional Staff Salaries	1,859,108
Instructional Staff Employee Benefits	1,745,206
Purchased Professional and Technical Services	749,735
Instructional Materials and Supplies	377,766
Instructional Equipment	-

**Total Teacher and Student Interaction Activities** \$ 9,594,080

Other Instructional Activities

157,725

Pupil Support Services

1,093,743

Less: Equipment for Pupil Support Services

-

**Net Pupil Support Services** 1,093,743

Instructional Staff Services

344,254

Less: Equipment for Instructional Staff Services

-

**Net Instructional Staff Services** 344,254

School Administration

1,994,468

Less: Equipment for School Administration

-

**Net School Administration** 1,994,468

**Total General Fund Instructional Expenditures** \$ 13,184,270

**Total General Fund Equipment Expenditures** \$ -

**Certain Local Revenue Sources**

**Local Taxation Revenue**

Constitutional Ad Valorem Taxes	\$ -
Renewable Ad Valorem Tax	-
Debt Service Ad Valorem Tax	-
Up to 1% of Collections by the Sheriff on Taxes	-
Other than School Taxes	-
Sales and Use Taxes	-

**Total Local Taxation Revenue** \$ -

**Local Earnings on Investment in Real Property**

Earnings from 16 <sup>th</sup> Section Property	\$ -
Earnings from Other Real Property	-

**Total Local Earnings on Investment in Real Property** \$ -

**State Revenue in Lieu of Taxes**

Revenue Sharing - Constitutional Tax	\$ -
Revenue Sharing - Other Taxes	-
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	-

**Total State Revenue in Lieu of Taxes** \$ -

Nonpublic Textbook Revenue

\$ -

Nonpublic Transportation Revenue

\$ -

See independent accountant's report on applying agreed-upon procedures.

**FRENCH AND MONTESSORI EDUCATION, INC.  
D/B/A AUDUBON SCHOOLS  
NEW ORLEANS, LOUISIANA  
Class Size Characteristics  
As of October 1, 2024**

**Schedule 2**

School Type	LEA	Class Size Range							
		1 - 20		21 - 26		27 - 33		34+	
		Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	WAZ	30%	78	51%	131	18%	50	1%	0
Elementary Activity Classes	WAZ	33%	44	41%	55	25%	35	1%	1
Elementary	WBT	9%	8	51%	47	40%	37	0%	0
Elementary Activity Classes	WBT	13%	10	42%	33	37%	29	8%	6

See independent accountant's report on applying agreed-upon procedures.