

WILLIAM SCHOLAR ACADEMY, INC.
D/B/A EXCELSIOR COLLEGE PREPARATORY ACADEMY
Abbeville, Louisiana

Financial Report

Year Ended June 30, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Williams Scholar Academy, Inc.
d/b/a Excelsior College Preparatory Academy
Abbeville, Louisiana

Opinion

We have audited the accompanying financial statements of Williams Scholar Academy, Inc. d/b/a Excelsior College Preparatory Academy (a nonprofit corporation) which comprise the statement of financial position as of June 30, 2022, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Williams Scholar Academy, Inc. d/b/a Excelsior College Preparatory Academy as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Williams Scholar Academy, Inc. d/b/a Excelsior College Preparatory Academy 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Williams Scholar Academy, Inc. d/b/a Excelsior College Preparatory Academy'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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 Williams Scholar Academy, Inc. d/b/a Excelsior College Preparatory Academy'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 Williams Scholar Academy, Inc. d/b/a Excelsior College Preparatory Academy'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.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated December 29, 2022, on our consideration of Williams Scholar Academy, Inc. d/b/a Excelsior College Preparatory Academy's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 Williams Scholar Academy, Inc. d/b/a Excelsior College Preparatory Academy's internal control over financial reporting and compliance.

Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

Lafayette, Louisiana

December 29, 2022

FINANCIAL STATEMENTS

WILLIAM SCHOLAR ACADEMY, INC.
D/B/A EXCELSIOR COLLEGE PREPARATORY ACADEMY

Statement of Financial Position
June 30, 2022

ASSETS

CURRENT ASSETS

Cash	\$ 130,036
Prepaid items	17,236
Accounts receivable	<u>161,412</u>
Total current assets	308,684

PROPERTY AND EQUIPMENT, NET

81,270

TOTAL ASSETS

\$ 389,954

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 157,627
Accrued expenses	85,873
Notes payable	162,229
Current portion of long-term debt	<u>48,333</u>
Total current liabilities	454,062

LONG-TERM LIABILITIES

Long-term debt, net of current portion	<u>48,253</u>
Total long-term liabilities	<u>48,253</u>
Total liabilities	502,315

NET ASSETS

Without donor restrictions	
Available for operations	<u>(112,361)</u>
Total net assets	<u>(112,361)</u>

TOTAL LIABILITIES AND NET ASSETS

\$ 389,954

The accompanying notes are an integral part of this statement.

WILLIAM SCHOLAR ACADEMY, INC.
D/B/A EXCELSIOR COLLEGE PREPARATORY ACADEMY

Statement of Activities
Year Ended June 30, 2022

REVENUES AND SUPPORT

State and local operating funding	\$ 939,434
Federal grants	660,032
Contributions	28,368
Other income	<u>77,795</u>
TOTAL REVENUES AND SUPPORT	<u>1,705,629</u>

EXPENSES

Regular Programs:

Employee benefits	65,355
Equipment rental	29,920
Food services	50,820
Other purchased services	457,850
Professional and technical services	52,519
Salaries	487,999
Supplies	143,262

General and Administration:

Depreciation	5,250
Employee benefits	31,578
Insurance	18,832
Miscellaneous	29,408
Other purchased services	71,398
Professional and technical services	148,927
Salaries	235,858
Supplies	<u>15,645</u>

TOTAL EXPENSES	<u>1,844,621</u>
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CHANGE IN NET ASSETS (138,992)

NET ASSETS AT BEGINNING OF YEAR 26,631

NET ASSETS AT END OF YEAR \$ (112,361)

The accompanying notes are an integral part of this statement.

WILLIAM SCHOLAR ACADEMY, INC.
D/B/A EXCELSIOR COLLEGE PREPARATORY ACADEMY

Statement of Cash Flows
Year Ended June 30, 2022

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ (138,992)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	5,250
(Increase) decrease in -	
Other receivables	(151,619)
Prepaid expenses	(14,536)
Increase (decrease) in -	
Accounts payable	132,604
Accrued expenses	<u>85,873</u>
Net cash used by operating activities	(81,420)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of property and equipment	<u>(41,720)</u>
Net cash used by investing activities	(41,720)
CASH FLOWS FROM FINANCING ACTIVITIES	
Net change in notes payable	66,782
Principal payments on long-term debt	<u>(15,000)</u>
Net cash provided by financing activities	<u>51,782</u>
Net decrease in cash	(71,358)
Cash at beginning of year	<u>201,394</u>
Cash at end of year	<u>\$ 130,036</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:	
Cash paid during the year for:	
Interest	<u>\$ 9,179</u>

The accompanying notes are an integral part of this statement.

WILLIAM SCHOLAR ACADEMY, INC.
D/B/A EXCELSIOR COLLEGE PREPARATORY ACADEMY
Abbeville, Louisiana
Notes to the Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

William Scholar Academy, Inc. d/b/a Excelsior College Preparatory Academy (the School) was founded in 2021 as a nonprofit organization incorporated under the laws of the State of Louisiana. The School is a tuition-free, public charter school option for 6th through 12th grade Louisiana students. There are no restrictions based on cities, zip codes, school zones, or affordability. The School is an approved Type 2 charter school under Louisiana Revised Statute 17:3971. The school's operations are located in Abbeville, Louisiana, and first opened its doors to students in the 2021-2022 school year. The School is governed by a board of directors and managed by a school leader.

Income Tax Exemption

The School is an exempt organization for federal income tax purposes under Section 501(c)(3) of the Internal Revenue Code. Additionally, the Internal Revenue Service has determined that the School does not qualify as a private School within the meaning of Section 509(a) of the Internal Revenue Code. Therefore, no provision for income taxes has been made in the accompanying financial statements.

Basis of Accounting

The accompanying financial statements of the School have been prepared on the accrual basis of accounting which follows the recommendations of the Financial Accounting Standards Board in its Statement of Accounting Standards Codification No. 958-205-20, Not-for-Profit Entities – Presentation of Financial Statements. Under FASB ASC 958-205-20, the organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the School and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions – Net assets without donor restrictions are resources available to support operations and not subject to donor or grantor restrictions.

Net Assets with Donor Restrictions - Net assets with donor restrictions are resources that are subject to donor-imposed or grantor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature, such as those that are restricted by a donor that the resources be maintained in perpetuity. The School did not have any net assets restricted by donors at June 30, 2022.

Functional Allocation of Expenses

The statement of activities presents expenses of the School's operations functionally between instruction, support services and non-instructional. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

WILLIAM SCHOLAR ACADEMY, INC.
D/B/A EXCELSIOR COLLEGE PREPARATORY ACADEMY
Abbeville, Louisiana
Notes to the Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition

Revenue is recognized when earned. Program service fees and payments under cost reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed, or expenditures are incurred, respectively. Contributions are recognized when cash, or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction.

Revenue With and Without Donor Restrictions

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction end or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. Contributions of property and equipment are reported as net assets with donor restrictions if the donor restricted the use of the property or equipment to a particular program, as are contributions of cash restricted to the purchase of property and equipment. Otherwise, donor restrictions on contributions of property and equipment or assets restricted for purchase of property and equipment are considered to expire when the assets are placed in service.

All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

Donated Services

The School receives donated services from unpaid volunteers who assist in program services during the year; however, these donated services are not reflected in the statements of activities because the criteria for recognition under FASB ASC 958-605-25 have not been satisfied.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the School considers all highly-liquid investments to be cash equivalents. The School did not have any cash equivalents at June 30, 2022.

Receivables

Receivables are stated at the amount management expects to collect. Based on the payment nature of the receivables, management considers all amounts to be collectible; therefore no allowance was considered necessary as of June 30, 2022.

WILLIAM SCHOLAR ACADEMY, INC.
D/B/A EXCELSIOR COLLEGE PREPARATORY ACADEMY
Abbeville, Louisiana
Notes to the Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Compensated Absences

Ten-month employees are entitled to a total of 8 paid days off per year for sickness and 2 paid days off per year for personal reasons. From their date of hire, all twelve-month based employees are eligible to earn up to 10 days of paid time off during their scheduled work year. These days can be used for vacation or sick purposes. Twelve-month employees will earn .83 days at the end of each month. Twelve-month employees will also be granted a week off during July in addition to the regularly accrued vacation time.

Each twelve-month employee may carry over 10 days of accrued vacation over into the next fiscal or William Scholar Academy, Inc. d/b/a Excelsior College Preparatory Academy year. These days will not be paid out. Sick time in excess of 8 days not taken by the end of the William Scholar Academy, Inc. d/b/a Excelsior College Preparatory Academy year (for William Scholar Academy, Inc. d/b/a Excelsior College Preparatory Academy based employees) or by June 30 (for administrators) will rollover to the following school year or may be transferred to another school district.

Use of Estimates

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

Property and Equipment

All property and equipment are capitalized that have a cost or estimated cost of \$5,000 or more per unit. Expenses for additions, major renewals, and betterments are capitalized. Expenses for maintenance and repairs are charged to expense as incurred. Donations of property and equipment are recorded as support at their estimated fair market value and are reported as without donor restrictions unless the donor has restricted the donated assets for a specific purpose. Property acquired with grant funds are disposed of in accordance with grantor requirements. Depreciation is computed using the straight-line method at rates based on the following estimated useful lives: leasehold improvements at 15 years.

Fair Value of Financial Instruments

The School defines the fair value of a financial instrument as the amount at which the instrument could be exchanged in a current transaction between willing parties. Financial instruments included in the School's financial statements include cash and cash equivalents, receivables, and other assets. Unless otherwise disclosed in the notes to the financial statements, the carrying value of financial instruments is considered to approximate fair value due to the short maturity and characteristics of those instruments.

WILLIAM SCHOLAR ACADEMY, INC.
D/B/A EXCELSIOR COLLEGE PREPARATORY ACADEMY
Abbeville, Louisiana
Notes to the Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Subsequent Events

Subsequent events were evaluated through December 29, 2022, which is the date the financial statements were available to be issued.

NOTE 2 CASH

The School may invest in United States bonds, notes, or bills as well as certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2022, the School had cash and interest-bearing deposits (book balances) totaling \$130,036.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the School’s deposits may not be returned to it. The School maintains cash balances at one financial institution. Accounts are insured by the Federal Deposit Insurance Corporation (FDIC insured) and the Securities Investor Protection Corporation (SPIC insured) up to \$250,000 at each institution. The School believes it is not exposed to any significant credit risk on its cash balances.

NOTE 3 AVAILABILITY AND LIQUIDITY OF FINANCIAL ASSETS

The following reflects the School’s financial assets available for general use within one year as of June 30, 2022:

Financial assets at year end:	
Cash	\$ 130,036
Other receivables	<u>161,412</u>
Financial assets available to meet cash needs	
for general expenditures within one year	<u>\$ 291,448</u>

NOTE 4 PROPERTY AND EQUIPMENT

Property and equipment acquired by the Academy are considered to be owned by the Academy. Property and equipment consisted of the following at June 30, 2022:

Assets being depreciated:	
Building and improvements	\$ 86,520
Less accumulated depreciation	<u>(5,250)</u>
Assets being depreciated, net	<u>\$ 81,270</u>

WILLIAM SCHOLAR ACADEMY, INC.
D/B/A EXCELSIOR COLLEGE PREPARATORY ACADEMY
Abbeville, Louisiana
Notes to the Financial Statements

NOTE 5 ACCOUNTS RECEIVABLE

Accounts receivable consisted of the following at June 30, 2022:

U.S. Department of Education:

Passed through Louisiana Department of Education	<u>\$ 161,412</u>
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NOTE 6 NOTES PAYABLE

Notes payable at June 30, 2022 consisted of a line of credit with Gulf Coast Bank in the amount of \$162,228, with a maturity date of September 2022 and an interest rate of 6.0% at June 30, 2022. The bank granted a temporary extension until complete payment of the debt is made. As of December 29, 2022, the line of credit balance was \$16,765.

NOTE 7 LONG-TERM DEBT

Long-term debt as of June 30, 2022 consists of:

Note payable in the original amount of \$100,000, payable in annual installments of \$33,334 beginning in June 2022, bearing interest at 0.00%.	\$ 66,586
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Note payable in the original amount of \$45,000, payable in 36 monthly installments of \$1,250 beginning on July 31, 2021, bearing interest at 0.00%.	<u>30,000</u>
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Less current portion	<u>48,333</u>
Long-term portion	<u><u>\$ 48,253</u></u>

Maturities of long-term debt are as follows:

June 30, 2023	\$ 48,333
June 30, 2024	<u>48,253</u>
Total long-term debt	<u><u>\$ 96,586</u></u>

During 2022 the School received a loan in the amount of \$75,000 from a third party. In September 2022 the School was notified by the third party that full forgiveness in the amount of \$75,000 was granted. As such, the School has recognized \$75,000 within other income for the year ended June 30, 2022.

WILLIAM SCHOLAR ACADEMY, INC.
D/B/A EXCELSIOR COLLEGE PREPARATORY ACADEMY
Abbeville, Louisiana
Notes to the Financial Statements

NOTE 8 COVID-19 PANDEMIC

In December 2019, a novel strain of coronavirus (Covid-19) was reported to have surfaced in China. The World Health Organization has characterized Covid-19 as a pandemic. The extent of the impact of Covid-19 on the operational and financial performance of the School will depend on certain developments, including the duration and spread of the outbreak, impact on donors, employees and vendors, all of which are uncertain and cannot be predicted. At this point, the extent to which Covid-19 may impact the School's financial condition is uncertain.

As a result of the COVID-19 pandemic, under the Elementary and Secondary School Emergency Relief Fund (ESSER Fund), the Department of Education has awarded grants to State Educational Agencies (SEAs) for the purpose of providing local educational agencies (LEAs), including charter schools that are LEAs, with emergency relief funds to address the impact that Novel Coronavirus Disease 2019 (COVID-19) has had, and continues to have, on elementary and secondary schools across the nation. LEAs must provide equitable services to students and teachers in non-public schools as required under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The School was awarded \$517,324 under the CARES Act ESSER Formula grant. The award period is from July 1, 2021 to June 30, 2022. As of June 30, 2022, the School had earned \$517,324.

SUPPLEMENTARY INFORMATION

WILLIAM SCHOLAR ACADEMY, INC.
D/B/A EXCELSIOR COLLEGE PREPARATORY ACADEMY
Abbeville, Louisiana
Notes to the Financial Statements

Schedule of the Governing Board (Unaudited)
Year Ended June 30, 2022

<u>Board Member</u>	<u>Term Expiration</u>
Dr. Allen Randle, Sr. <i>President</i>	June 30, 2023
Jeff Cook <i>Vice President</i>	June 30, 2023
Francine Prince <i>Secretary</i>	June 30, 2023
Judge Lori A. Landry, Ret. <i>Member</i>	June 30, 2023
Kimberly Lockley <i>Member</i>	June 30, 2023
Jason Jones <i>Member</i>	June 30, 2023
Lawana Stokes <i>Member</i>	June 30, 2023
Nicole Lopez <i>Member</i>	June 30, 2023

WILLIAM SCHOLAR ACADEMY, INC.
D/B/A EXCELSIOR COLLEGE PREPARATORY ACADEMY
Abbeville, Louisiana
Notes to the Financial Statements

Schedule of Insurance in Force (Unaudited)
Year Ended June 30, 2022

Type of Coverage	Limits of Coverage	Expires	Company
Workers' Compensation	\$1,000,000	2/22/2023	Accident Fund
Student Accident	Accident medical expense benefit - \$500,000 \$25,000 maximum per student	6/8/2023	United State Fire Insurance Company
Commercial Auto & General Liab (package)	Auto liability - \$1,000,000 General liability - \$1,000,000 each occurrence Damage to premises rented - \$100,000 any one premises Personal & advertising injury - \$1,000,000 any one entity General aggregate limit - \$3,000,000 Products/completed operations aggregate limit - \$3,000,000	6/8/2023	Arch Insurance company
Commercial Crime	\$1,000,000 - Employee theft \$1,000,000 - Money orders and counterfeit currency	6/8/2023	Underwriters at Lloyd's London
Excess Liability	\$5,000,000	6/8/2023	Arch Insurance Company
Educators Legal & Employment Pract.	\$2,000,000	6/8/2023	Indial Harbor Insurance Co.

WILLIAM SCHOLAR ACADEMY, INC.
D/B/A EXCELSIOR COLLEGE PREPARATORY ACADEMY
Abbeville, Louisiana
Notes to the Financial Statements

Schedule of Compensation, Benefits, and Other Payments to Agency Head
Year Ended June 30, 2022

Agency Head Name: Kimberly Williams, School Leader

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 90,000
Total	<u>\$ 90,000</u>

**INTERNAL CONTROL, COMPLIANCE,
AND
OTHER MATTERS**



OTHER LOCATIONS:

Eunice Morgan City Abbeville

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

To the Board of Directors of
Williams Scholar Academy, Inc.
d/b/a Excelsior College Preparatory Academy
Abbeville, 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 Williams Scholar Academy, Inc. d/b/a Excelsior College Preparatory Academy (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, 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 December 29, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Williams Scholar Academy, Inc. d/b/a Excelsior College Preparatory Academy's internal control over financial reporting (internal control) to determine the 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 Williams Scholar Academy, Inc. d/b/a Excelsior College Preparatory Academy's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

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

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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Williams Scholar Academy, Inc. d/b/a Excelsior College Preparatory Academy'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 determination of financial statement amounts. 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 did not disclose any instances of noncompliance that is 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; therefore, its distribution is not limited.

Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

Lafayette, Louisiana
December 29, 2022

WILLIAM SCHOLAR ACADEMY, INC.
D/B/A EXCELSIOR COLLEGE PREPARATORY ACADEMY
Abbeville, Louisiana

Summary Schedule of Prior Year Findings
Year Ended June 30, 2022

This section is not applicable for the fiscal year ended June 30, 2022.

WILLIAM SCHOLAR ACADEMY, INC.
D/B/A EXCELSIOR COLLEGE PREPARATORY ACADEMY
Abbeville, Louisiana

Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Part 1: Summary of Auditor's Results

FINANCIAL STATEMENTS

Auditor's Report – Financial Statements

An unmodified opinion has been issued on William Scholar Academy, Inc. d/b/a Excelsior College Preparatory Academy's financial statements as of and for the years ended June 30, 2022.

Deficiencies in Internal Control – Financial Reporting

There was one deficiency in internal control over financial reporting noted during the audit as item 2022-001.

Material Noncompliance – Financial Reporting

The results of our tests did not disclose any instances of noncompliance which is required to be reported under *Government Auditing Standards*.

FEDERAL AWARDS

This section is not applicable for the year ended June 30, 2022.

MANAGEMENT LETTER

A management letter was not issued for the fiscal year ended June 30, 2022.

Part 2: Findings Relating to an Audit in Accordance with *Government Auditing Standards*

2022-001 Accounting Records

Criteria: Government Auditing Standards, issued by the Comptroller General of the United States requires that an adequate system of internal control be in place in order to safeguard assets and assure proper recording of transactions.

Condition: The entity failed to take all steps necessary to produce and retain certain accounting records in order to prevent, or detect and correct material misstatements on a timely basis.

Cause: The cause relates to inadequate controls over the entity's retention process.

Effect: During our audit, we noticed that accounting records frequently could not be located when needed. The result was that employees spent nonproductive time searching for needed documents.

Recommendation: The entity should decide on a systematic manner of filing documents and maintain those records in an orderly filing manner to insure proper control over all supporting documentation and invoices evidencing revenues, expenditures, etc.

Views of Responsible Officials and Planned Corrective Actions: The entity will maintain records in an orderly filing manner to insure proper control over all supporting documentation and invoices evidencing revenues, expenditures, etc.

Part 3: Findings and Questioned Costs Relating to Federal Programs

This section is not applicable for the year ended June 30, 2022.

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of
Williams Scholar Academy, Inc.
d/b/a Excelsior College Preparatory Academy
Abbeville, Louisiana

We have performed the procedures enumerated below, which were agreed to by the management of Williams Scholar Academy, Inc. d/b/a Excelsior College Preparatory Academy, the Louisiana Department of Education, and the Louisiana Legislative Auditor (the specified parties), on the performance and statistical data accompanying the annual financial statements of Williams Scholar Academy, Inc. d/b/a Excelsior College Preparatory Academy for the fiscal year ended June 30, 2022; and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education, in compliance with Louisiana Revised Statute 24:514.1. Management of Williams Scholar Academy, Inc. d/b/a Excelsior College Preparatory Academy is responsible for its performance and statistical data. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

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, and
 - Nonpublic Transportation Revenue.

The School does not receive local taxation revenue, local earnings on investment in real property, state revenue in lieu of taxes, nonpublic textbook revenue, or nonpublic transportation revenue.

Exceptions Noted: 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 roll books for those classes and observed that the class was properly classified on the schedule.

Exceptions Noted: None.

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

3. We obtained October 1 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.

Procedures indicated testing a random sample of 25 teachers. However, the School only employed 33 teachers as of year-end; therefore, we tested the entire population.

Exceptions Noted: None.

Public School Staff Data: Average Salaries (No Schedule)

4. We obtained June 30 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).

Procedures indicated testing a random sample of 25 teachers. However, the School only employed 33 teachers as of year-end; therefore, we tested the entire population.

Exceptions Noted: None.

This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the performance and statistical data. 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.

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 Williams Scholar Academy, Inc. d/b/a Excelsior College Preparatory Academy, as required by Louisiana Revised Statute 24:514.1, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

Lafayette, Louisiana

December 29, 2022

WILLIAM SCHOLAR ACADEMY, INC.
D/B/A EXCELSIOR COLLEGE PREPARATORY ACADEMY
Abbeville, Louisiana

Schedule 1 – General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
Year Ended June 30, 2022

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$ 240,911	
Instructional Staff Employee Benefits	62,791	
Purchased Professional and Technical Services	29,843	
Instructional Materials and Supplies	71,766	

Total Teacher and Student Interaction Activities \$ 405,311

Other Instructional Activities -

Pupil Support Activities 173

Less: Equipment for Pupil Support Activities	-	
Net Pupil Support Activities		173

Instructional Staff Services 12,427

Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services		12,427

School Administration 180,686

Less: Equipment for School Administration	-	
Net School Administration		180,686

Total General Fund Instructional Expenditures \$ 598,597

Total General Fund Equipment Expenditures \$ -

Certain Local Revenue Sources

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$ -
Renewable Ad Valorem Taxes	-
Debt Service Ad Valorem Taxes	-
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 Investments in Real Property:

Earnings from 16th 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 Tax	-
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	-
Total State Revenue in Lieu of Taxes	\$ -

Nonpublic Textbook Revenue \$ -

Nonpublic Transportation Revenue \$ -

WILLIAM SCHOLAR ACADEMY, INC.
D/B/A EXCELSIOR COLLEGE PREPARATORY ACADEMY
Abbeville, Louisiana

Schedule 2 – Class Size Characteristics
As of October 1, 2021

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	0.0%	-	0.0%	-	0.0%	-	0.0%	-
Elementary Activity Classes	0.0%	-	0.0%	-	0.0%	-	0.0%	-
Middle/Jr. High	0.0%	-	0.0%	-	0.0%	-	0.0%	-
Middle/Jr. High Activity Classes	0.0%	-	0.0%	-	0.0%	-	0.0%	-
High	100.0%	36	0.0%	-	0.0%	-	0.0%	-
High Activity Classes	100.0%	1	0.0%	-	0.0%	-	0.0%	-
Combination	0.0%	-	0.0%	-	0.0%	-	0.0%	-
Combination Activity Classes	0.0%	-	0.0%	-	0.0%	-	0.0%	-



OTHER LOCATIONS:

Lafayette Eunice Abbeville

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of
William Scholar Academy d/b/a Excelsior College Preparatory Academy
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2021 through June 30, 2022. Williams Scholar Academy (Entity's) management is responsible for those C/C areas identified in the SAUPs.

The Entity has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2021 to June 30, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

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

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

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

- e) **Payroll/Personnel**, including (1) payroll processing, and (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.

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

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

Written policies and procedures were obtained and address the functions noted above.

Board or Finance Committee

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
No exceptions noted.
 - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarter budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds
No exceptions noted.
 - c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted 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 unrestricted fund balance in the general fund.

Not applicable.

Bank Reconciliations

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

Obtained listing of bank accounts from management and management's representation that the listing is complete.

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

No exceptions noted.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

No exceptions noted.

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

No exceptions noted.

Collections (excluding electronic fund transfers)

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

Obtained listing of deposit sites and management's representation that the listing is complete.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

Obtained listing of collection locations from management and management's representation that the listing is complete.

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

No exceptions noted.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

No exceptions noted.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

No exceptions noted.

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

No exceptions noted.

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

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

Listing of locations that process payments and management's representation that the listing is complete was obtained.

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

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

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

No supporting invoices provided by the client.

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

No supporting invoices provided by the client.

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

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

The entity confirmed that they had no active credit or debit cards during the year.

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

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

No exceptions noted.

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

No exceptions noted.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

No exceptions noted.

Travel and Travel-Related Expense Reimbursement

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

Obtained listing of travel and expense reimbursements by person and management provided representation that the listing is complete.

- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

No exceptions noted.

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

No exceptions noted.

- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

No receipts or other support was provided for reimbursements.

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

Some reimbursements were not reviewed and approved by someone other than the person receiving the reimbursement.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

Listing of all contracts in effect and management's representation that the listing is complete was obtained.

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

Not applicable.

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

No exceptions noted.

- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented.)

Not applicable.

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

No exceptions noted.

Payroll and Personnel

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

Listing of employees and management's representation that the listing is complete was obtained. Authorized salaries/pay rates traced to personnel files without exception.

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

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

No supporting documents provided by the client.

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

No supporting documents provided by the client.

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

No supporting documents provided by the client.

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

No supporting documents provided by the client.

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

Listing of employees and management's representation that the listing is complete was obtained. No exceptions were noted.

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

No exceptions noted.

Ethics

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

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

The entity is a nonprofit; therefore, this section of testing is not applicable.

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

The entity is a nonprofit; therefore, this section of testing is not applicable.

Debt Service

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

The entity is a nonprofit; therefore, this section of testing is not applicable.

- 22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

The entity is a nonprofit; therefore, this section of testing is not applicable.

Fraud Notice

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

No misappropriations of public funds and assets noted.

24. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

25. *No exceptions noted.*

Information Technology Disaster Recovery/Business Continuity

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

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

We performed the procedure and discussed the results with management.

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

We performed the procedure and discussed the results with management.

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

We performed the procedure and discussed the results with management.

Sexual Harassment

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

The entity is a nonprofit; therefore, this section of testing is not applicable.

27. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

The entity is a nonprofit; therefore, this section of testing is not applicable.

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

- a) Number and percentage of public servants in the agency who have completed the training requirements;

The entity is a nonprofit; therefore, this section of testing is not applicable.

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

The entity is a nonprofit; therefore, this section of testing is not applicable.

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

The entity is a nonprofit; therefore, this section of testing is not applicable.

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

The entity is a nonprofit; therefore, this section of testing is not applicable.

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

The entity is a nonprofit; therefore, this section of testing is not applicable.

We were engaged by the Entity 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 Entity 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.

Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

Lafayette, Louisiana

December 29, 2022



WILLIAMS
SCHOLAR ACADEMY

Dr. Allen Randle
Board President
Williams Scholar Academy

PO BOX 681
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December 29, 2022

Darnall, Sikes & Frederick
A Corporation of Certified Public Accountants
2000 Kaliste Saloom Road, Suite 300
Lafayette, LA 70508

Provided below are the responses from William Scholar Academy d/b/a Excelsior College Preparatory Academy with regard to the Statewide Agreed-Upon Procedures performed for the fiscal period July 1, 2021 through June 30, 2022:

Items 10a and 10b. The Entity will maintain supporting invoices for all disbursements.

Item 14c. The Entity will maintain itemized receipts for reimbursements.

Items 17a through 17d. The Entity will maintain supporting documentation for agreed-upon salaries and pay rates, as well as supporting documentation for tracking time off.

Signature Allen R. Randle
Title Board President

Board Members

Dr. Allen R. Randle, Sr., President

Mr. Jason Jones, Past President. Ms. Lori Landry

Ms. Lawana Stokes, Secretary.

Ms. Nicole Lopez

Mr. Jeff Cook

Ms. Francine Prince