

**BELLE CHASE ACADEMY, INC. AND AFFILIATE**

**CONSOLIDATED FINANCIAL STATEMENTS**

June 30, 2025 and 2024



# BELLE CHASSE ACADEMY

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Belle Chasse Academy, Inc. and Affiliate  
Belle Chasse, Louisiana

### **Opinion**

We have audited the consolidated financial statements of Belle Chasse Academy, Inc. and Affiliate (a nonprofit organization) d/b/a Belle Chasse Academy, which comprise the consolidated statements of financial position as of June 30, 2025 and 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Belle Chasse Academy, Inc. and Affiliate as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

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

### **Responsibilities of Management for the Consolidated Financial Statements**

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

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

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

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

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

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

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

### **Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the consolidated 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 the Summary of Compensation, Benefits and Other Payments to Agency Head, as required by Louisiana Advised Statute 24:513 A.(3), are presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations, and cash flows of the Organization, and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated December 16, 2025, on our consideration of Belle Chasse Academy, Inc. and Affiliate's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants 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 the effectiveness of Belle Chasse Academy, Inc. and Affiliate'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 Belle Chasse Academy, Inc. and Affiliate's internal control over financial reporting and compliance.

Metairie, Louisiana  
December 16, 2025

*Wegmann Dazet*

BELLE CHASSE ACADEMY, INC. AND AFFILIATE  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

June 30, 2025 and 2024

	2025	2024
<b>ASSETS</b>		
Cash and cash equivalents	\$ 15,400,780	\$ 8,562,993
Accounts receivable	-	8,063
Grants receivable	471,130	492,574
Other receivables	10,196	128,158
Prepaid expenses	263,643	133,112
Investments	3,655,405	1,745,632
Unconditional promise to give	10,700	10,700
Total current assets	<u>19,811,854</u>	<u>11,081,232</u>
Property and equipment, net	18,466,039	14,177,849
Long-term unconditional promise to give	267,500	278,200
Investments	<u>3,521,080</u>	<u>5,857,199</u>
Total assets	<u><u>\$ 42,066,473</u></u>	<u><u>\$ 31,394,480</u></u>
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 1,386,200	\$ 46,571
Accrued payroll and related liabilities	770,167	698,418
Current portion of long term debt	657,925	625,934
Total current liabilities	<u>2,814,292</u>	<u>1,370,923</u>
Long-term debt, net	14,289,230	14,913,899
Total liabilities	<u>17,103,522</u>	<u>16,284,822</u>
<b>NET ASSETS</b>		
With donor restrictions	267,500	278,200
Without donor restrictions	<u>24,695,451</u>	<u>14,831,458</u>
Total net assets	<u>24,962,951</u>	<u>15,109,658</u>
Total liabilities and net assets	<u><u>\$ 42,066,473</u></u>	<u><u>\$ 31,394,480</u></u>

See Independent Auditor's Report and accompanying Notes to Consolidated Financial Statements.

BELLE CHASSE ACADEMY, INC. AND AFFILIATE  
CONSOLIDATED STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2025

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues and other support			
State Sources:			
Minimum Foundation Program	\$ 22,505,022	\$ -	\$ 22,505,022
Grants	2,268,031	-	2,268,031
Food services	275,234	-	275,234
Federal sources - grants	4,552,354	-	4,552,354
Contribution revenue	45,638	-	45,638
Net investment income	434,265	-	434,265
Other income	197,813	-	197,813
Income from meals	158,326	-	158,326
Net assets released from restrictions	<u>10,700</u>	<u>(10,700)</u>	<u>-</u>
Total revenues and other support	<u>30,447,383</u>	<u>(10,700)</u>	<u>30,436,683</u>
Expenses			
Program services:			
Instruction	10,918,482	-	10,918,482
Supporting services:			
Management and general	<u>9,664,908</u>	<u>-</u>	<u>9,664,908</u>
Total expenses	<u>20,583,390</u>	<u>-</u>	<u>20,583,390</u>
Change in net assets	9,863,993	(10,700)	9,853,293
Net assets at beginning of year	<u>14,831,458</u>	<u>278,200</u>	<u>15,109,658</u>
Net assets at end of year	<u><u>\$ 24,695,451</u></u>	<u><u>\$ 267,500</u></u>	<u><u>\$ 24,962,951</u></u>

See Independent Auditor's Report and accompanying Notes to Consolidated Financial Statements.

BELLE CHASSE ACADEMY, INC. AND AFFILIATE  
CONSOLIDATED STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues and other support			
State Sources:			
Minimum Foundation Program	\$ 14,658,696	\$ -	\$ 14,658,696
Grants	2,183,745	-	2,183,745
Food services	319,894	-	319,894
Federal sources - grants	2,999,284	-	2,999,284
Contribution revenue	370,500	-	370,500
Net investment income	327,920	-	327,920
Other income	209,400	-	209,400
Income from meals	197,755	-	197,755
Net assets released from restrictions	<u>10,700</u>	<u>(10,700)</u>	<u>-</u>
Total revenues and other support	<u>21,277,894</u>	<u>(10,700)</u>	<u>21,267,194</u>
Expenses			
Program services:			
Instruction	10,208,275	-	10,208,275
Supporting services:			
Management and general	<u>8,744,632</u>	<u>-</u>	<u>8,744,632</u>
Total expenses	<u>18,952,907</u>	<u>-</u>	<u>18,952,907</u>
Change in net assets	2,324,987	(10,700)	2,314,287
Net assets at beginning of year	<u>12,506,471</u>	<u>288,900</u>	<u>12,795,371</u>
Net assets at end of year	<u><u>\$ 14,831,458</u></u>	<u><u>\$ 278,200</u></u>	<u><u>\$ 15,109,658</u></u>

See Independent Auditor's Report and accompanying Notes to Consolidated Financial Statements.

BELLE CHASSE ACADEMY, INC. AND AFFILIATE  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2025

	Program Services	Support Services	
	Instruction	Management and General	Total Expenses
Communications	\$ 3,602	\$ 155,922	\$ 159,524
Contracted services	191,899	143,175	335,074
Depreciation expense	-	973,658	973,658
Dues, fees, and licenses	31,055	277,491	308,546
Employee benefits	81,245	35,363	116,608
Food services	-	230,060	230,060
Insurance	519,639	702,903	1,222,542
Interest and penalties	-	839,130	839,130
Materials and supplies	279,609	285,059	564,668
Meals and travel	44,461	17,027	61,488
Other expenses	24,621	85,458	110,079
Other professional services	132,967	175,448	308,415
Payroll taxes	652,427	274,364	926,791
Postage, phone, and cable	-	6,688	6,688
Rental expenses	-	248,841	248,841
Repairs and maintenance	123	212,524	212,647
Salaries	8,795,208	3,900,431	12,695,639
Small furniture and equipment	51,903	39,098	91,001
Technology	79,428	156,420	235,848
Transportation	26,170	682,525	708,695
Tuition services	4,125	2,000	6,125
Utilities	-	221,323	221,323
Total expenses	<u>\$ 10,918,482</u>	<u>\$ 9,664,908</u>	<u>\$ 20,583,390</u>

See Independent Auditor's Report and accompanying Notes to Consolidated Financial Statements.



BELLE CHASSE ACADEMY, INC. AND AFFILIATE  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2024

	Program Services	Support Services	
	Instruction	Management and General	Total Expenses
Communications	\$ 10,442	\$ 192,489	\$ 202,931
Contracted services	213,797	47,014	260,811
Depreciation expense	-	957,736	957,736
Dues, fees, and licenses	27,828	162,228	190,056
Employee benefits	75,682	30,569	106,251
Food Services	158	257,797	257,955
Insurance	602,876	595,955	1,198,831
Interest and penalties	-	869,801	869,801
Materials and supplies	325,753	297,844	623,597
Meals and travel	42,606	15,522	58,128
Other expenses	22,125	69,391	91,516
Other professional services	105,232	101,293	206,525
Payroll taxes	589,648	245,352	835,000
Postage, phone, and cable	1,733	4,638	6,371
Rental expenses	-	268,686	268,686
Repairs and maintenance	275	143,390	143,665
Salaries	8,007,483	3,503,124	11,510,607
Small furniture and equipment	61,987	10,867	72,854
Student services	-	26	26
Technology	84,621	123,151	207,772
Transportation	25,263	641,737	667,000
Tuition services	10,766	2,700	13,466
Utilities	-	203,322	203,322
Total expenses	<u>\$ 10,208,275</u>	<u>\$ 8,744,632</u>	<u>\$ 18,952,907</u>

See Independent Auditor's Report and accompanying Notes to Consolidated Financial Statements.

BELLE CHASSE ACADEMY, INC. AND AFFILIATE  
CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Change in net assets	\$ 9,853,293	\$ 2,314,287
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	973,658	957,736
Amortization of debt issuance costs	33,255	33,255
Net realized and unrealized investment gain	(234,041)	(148,077)
(Increase) decrease in operating assets:		
Grant receivables	21,444	690,658
Other receivable	126,025	9,476
Prepaid expenses	(130,531)	4,130
Unconditional promise to give	10,700	10,700
Increase in operating liabilities:		
Accounts payable and accrued expenses	1,339,629	10,737
Accrued payroll and related liabilities	71,749	118,017
Net cash provided by operating activities	<u>12,065,181</u>	<u>4,000,919</u>
Cash flows from investing activities:		
Purchases of investments	(862,340)	(3,727,877)
Sales of investments	1,522,729	3,658,144
Purchase of property and equipment	(5,261,848)	(338,599)
Net cash used by investing activities	<u>(4,601,459)</u>	<u>(408,332)</u>
Cash flows from financing activities:		
Principal payments on long term debt	(625,935)	(591,461)
Net cash used by financing activities	<u>(625,935)</u>	<u>(591,461)</u>
Net increase in cash and cash equivalents	6,837,787	3,001,126
Cash and cash equivalents at beginning of year	<u>8,562,993</u>	<u>5,561,867</u>
Cash and cash equivalents at end of year	<u>\$ 15,400,780</u>	<u>\$ 8,562,993</u>

See Independent Auditor's Report and accompanying Notes to Consolidated Financial Statements.

BELLE CHASSE ACADEMY, INC. AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Years Ended June 30, 2025 and 2024

1) The Organization

Belle Chasse Academy, Inc. (“BCA” or “the Academy”) was originally granted a five (5) year charter by the Louisiana State Board of Elementary and Secondary Education (BESE) in 2001 to operate a Type 2 public charter school. BESE granted a ten (10) year renewal of the charter effective June 30, 2017 through June 30, 2027. The Academy seeks to provide a quality education and cater to the special needs of military-dependent students, as well as provide convenient access for parents that have long and unusual work hours. The Academy seeks to reduce service-connected disruptions and stress on military-dependent students who frequently transfer schools. The Academy also provides continuing student counseling on the unique challenges associated with being a military- dependent child.

The Academy accepts students from military families that are located in the New Orleans region, residing both on and off base. While military dependents (to include U.S. Coast Guard dependents) will have priority, according to the approved charter, the Academy is a charter public school and has an enrollment policy that allows non-military dependent students entrance if space is available.

During the 2024-2025 school year, the Academy served kindergarten through eighth grades, with an enrollment of 783 students.

The educational mission of the Academy is to establish a quality community-oriented charter school, which fosters an educational environment for the military-dependent child and provides:

- Substantial and direct community and parental participation in school administration;
- A pooling of resources among community members, parents, and educators;
- A comprehensive system to hold teachers, parents, and school administrators accountable for the student educational process;
- A reliable, flexible, results-oriented, and adaptable system to effectively measure student achievement; and
- Increased options for parents and students when choosing a school within Plaquemines Parish and contiguous parishes.

2) Summary of significant accounting policies

a) Consolidation

The accompanying consolidated financial statements include the accounts of Belle Chasse Academy, Inc. (the Academy) and its affiliate, Belle Chasse Educational Foundation (the Foundation), a special-purpose-entity lessor, collectively “the Organization”. The Foundation meets the criteria for consolidation with the Academy as outlined in Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-810-25-8, *Not-for-Profit Entities, Consolidation*. All significant inter-organizational balances and transactions were eliminated in consolidation.

The Foundation is a nonprofit organization formed in 2001, which leases school facilities and equipment to the Academy. The Academy has no ownership interest in the Foundation. The Academy is the guarantor of the Foundation's long term debt, which amounted to \$15,506,962 and \$16,132,895, at June 30, 2025 and 2024, respectively, as shown in Note 11.

Total assets of the Foundation amounted to \$15,647,820 and \$16,317,709 as of June 30, 2025 and 2024, respectively, of which \$14,069,853 and \$14,695,786 were eliminated in consolidation, respectively. Results of the Foundation's operations included in the consolidated financial statements after elimination of inter-organizational transactions consisted primarily of rent expense totaling \$10,700 and amortization of bond issuance costs totaling \$33,255 for each of the years ended June 30, 2025 and 2024, and interest expense totaling \$805,875 and \$836,546, for the years ended June 30, 2025 and 2024, respectively.

BELLE CHASSE ACADEMY, INC. AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Years Ended June 30, 2025 and 2024

2) Summary of significant accounting policies (continued)

b) Basis of presentation

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

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

*Net assets with donor restrictions:* Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

c) Cash and cash equivalents

For purposes of the consolidated statements of cash flows, all highly liquid investments with an original maturity of three months or less are considered cash equivalents. During the year, cash 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. At June 30, 2025 and 2024, there were no restricted cash balances.

d) Property and equipment

Property and equipment are stated at cost at the date of purchase or, for donated assets, at fair value at the date of donation, less accumulated depreciation. Depreciation is calculated using the straight-line method over the lesser of the estimated useful lives of the assets or the lease term. The useful lives range from five to forty years. The Organization's policy is to capitalize renewals and betterments acquired for greater than \$5,000 and expense normal repairs and maintenance as incurred. The Organization's management periodically evaluates whether events or circumstances have occurred indicating that the carrying amount of long-lived assets may not be recovered.

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

e) Revenue recognition

Meals income is recognized at the time of purchase. The Organization recognizes tuition over the instructional period. Payments are typically made monthly.

The Organization receives grants from public sectors. The public sector grants are for specific purposes and are passed through the Louisiana Department of Education. Additionally, the Organization receives Minimum Foundation Program (MFP) funding from the Louisiana Department of Education through the Louisiana Board of Elementary and Secondary Education according to the per student funding formula set forth by the Department of Education and an apportionment of local taxes.

BELLE CHASSE ACADEMY, INC. AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Years Ended June 30, 2025 and 2024

2) Summary of significant accounting policies (continued)

e) Revenue recognition (continued)

Substantially all state grants and support are without donor restrictions. A substantial portion of federal grants are expenditure driven and as such are classified as without donor restrictions in the statements of activities and changes in net assets. An accrual is made when eligible expenses are incurred. As of June 30, 2025 and 2024, grants receivable totaled \$471,130 and \$492,574, respectively, for federal grants passed through the Louisiana Department of Education. The balance is considered fully collectible.

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Revenues from governmental grants are recognized when allowable expenditures are made by BCA. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return 0 are not recognized until the conditions on which they depend have been met. Funds received for specific purposes but not yet expended are recorded as refundable advances.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

f) Income tax status

The Academy and the Foundation have received a tax-exempt ruling under Section 501(c)(3) of the Internal Revenue Code, and accordingly, are not subject to federal taxes unless the Academy or Foundation have unrelated trade or business income. Accounting standards provide detailed guidance for financial statement recognition, measurement, and disclosure of uncertain tax positions recognized in an entity's financial statements. It requires an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will be sustained upon examination. As of June 30, 2025 and 2024, management of the Academy and Foundation believe that they have no uncertain tax positions that qualify for either recognition or disclosure in these consolidated financial statements. With few exceptions, the Academy and Foundation are not subject to U.S. federal and state income tax examinations by tax authorities beyond three years from the filing of those returns.

g) Donated services

Donated services are recognized as contributions if the services create or enhance nonfinancial assets or require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

h) 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 certain reported amounts and disclosures. Actual results could differ from those estimates.

i) Compensated absences

BCA's employees are entitled to paid vacation, sick and personal days off; however, none may be carried forward to subsequent years. Since BCA's employment contracts are renewed annually,

BELLE CHASSE ACADEMY, INC. AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Years Ended June 30, 2025 and 2024

2) Summary of significant accounting policies (continued)

i) Compensated absences (continued)

employees are not allowed to carry over such time and are paid for unused leave at the end of the school year.

j) Functional expenses

The costs of providing the program services and other activities have been summarized on a functional basis in the statements of activities. The statements 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. The expenses that are allocated include salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, and transportation costs, which are allocated on the basis of estimates of time and effort.

k) Donated assets

Noncash donations are recognized at their estimated fair values at the date of donation.

l) Leases

Right to use leased assets and the related liabilities are recognized at the lease commencement date and represent the Organization's right to use an underlying asset and lease obligations for the lease term. Right to use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right to use leased assets are amortized over the shorter of the lease term or the useful life of the underlying asset using the straight-line method. Leases with an initial term of 12 months or less are not recorded on the consolidated statements of financial position.

m) Investments

Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the consolidated statements of financial position. Net investment return/(loss) is reported in the consolidated statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

n) Construction in process

Construction in process includes buildings owned by the Organization that are in the process of being built and are carried at cost plus an overhead allocation. Construction in process is classified within property and equipment as a long-term asset on the consolidated statements of financial position.

o) Impairment of long-lived assets

The Organization reviews property and equipment for impairment whenever events and circumstances indicate the carrying value of an asset may not be recoverable from the estimated future cash flows expected from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of assets. The Organization did not recognize any impairment losses in 2025 or 2024 related to property and equipment.

The Organization evaluates whether events and circumstances have occurred that indicate the operating assets have been impaired. Measurement of any impairment is based on estimated fair values. Once a asset is impaired, the carrying amount of the right of use asset is reduced through expense and the remaining balance is subsequently amortized on a straight-line basis. During 2025 and 2024, the Organization determined that the carrying amount of assets has not exceeded its fair value; accordingly, no impairment losses exist.

BELLE CHASSE ACADEMY, INC. AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Years Ended June 30, 2025 and 2024

2) Summary of significant accounting policies (continued)

p) Risks and uncertainties

The Organization holds various investment securities, which are exposed to various risks such as interest rate, market, and credit risks. Given the level of risk associated with certain investment securities and the level of uncertainty related to the changes in the value of investment securities, it is at least reasonably possible that changes in values in the near-term could materially affect investment balances and the amounts reported in the consolidated statements of financial position and the consolidated statements of activities.

3) Property and equipment

A summary of property and equipment as of June 30, 2025 and 2024 follows:

	<u>2025</u>	<u>2024</u>
Furniture and fixtures	\$ 567,694	\$ 558,204
Buildings and building improvements	24,382,874	24,382,874
Equipment	3,109,604	2,896,558
Site improvements	669,734	669,734
Software	680,458	471,997
Construction in process	4,977,134	220,248
Less: accumulated depreciation	<u>(15,921,459)</u>	<u>(15,021,766)</u>
Property and equipment	<u>\$ 18,466,039</u>	<u>\$ 14,177,849</u>

4) Concentrations of credit risk

The Organization maintains its cash balances in one financial institution, which is insured by the Federal Deposit Insurance Corporation up to certain limits. The uninsured bank balances totaled \$14,449,438 and \$8,761,323 at June 30, 2025 and 2024, respectively. The Organization has not experienced any losses in such accounts. The Organization has no policy requiring collateral or other security to support its deposits.

Although the fair values of investments are subject to fluctuation on a year-to-year basis, the Organization believes that the investment policies and guidelines are prudent for the long-term welfare of the Organization.

5) Net assets with donor restrictions

Net assets with donor restrictions consisted of the following:

	<u>2025</u>	<u>2024</u>
Subject to expenditure in subsequent periods:		
Louisiana Naval Family Housing	<u>\$ 267,500</u>	<u>\$ 278,200</u>
Total net assets with time restrictions	<u>\$ 267,500</u>	<u>\$ 278,200</u>

BELLE CHASSE ACADEMY, INC. AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Years Ended June 30, 2025 and 2024

5) Net assets with donor restrictions (continued)

Net assets with donor restrictions were released from restrictions during the year as follows:

	<u>2025</u>	<u>2024</u>
Time restrictions satisfied:		
Louisiana Naval Family Housing	\$ 10,700	\$ 10,700
Total net assets released from restrictions	<u>\$ 10,700</u>	<u>\$ 10,700</u>

6) Fair value

ASC 820, *Fair Value Measurements*, establishes a framework for measuring fair value. That framework 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). The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 Inputs to the valuation methodology include:

- 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;
- 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 to the valuation methodology that are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

At June 30, 2025 and 2024, the Organization's investments consisted of U.S Government Securities totaling \$7,176,485 and \$7,602,831, respectively. All investments as of June 30, 2025 were considered Level 1 investments. There were no transfers between levels during fiscal year 2025.

	<u>2025</u>	
<u>Description</u>	<u>Cost</u>	<u>Quoted Prices In Active Markets (Level 1)</u>
U.S. Government Securities	\$ 8,066,662	\$ 7,176,485
Totals	<u>\$ 8,066,662</u>	<u>\$ 7,176,485</u>



BELLE CHASSE ACADEMY, INC. AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Years Ended June 30, 2025 and 2024

6) Fair value (continued)

		<u>2024</u>
Description	Cost	Quoted Prices In Active Markets (Level 1)
U.S. Government Securities	\$ 7,848,800	\$ 7,602,831
Totals	<u>\$ 7,848,800</u>	<u>\$ 7,602,831</u>

7) Retirement plan

The Organization sponsors a defined contribution pension plan as defined under Section 401(k) of the U.S. Internal Revenue Code for all eligible employees. Employees are 100% vested immediately upon participation. Eligible employees may contribute up to the maximum allowed by the Internal Revenue Service (IRS). The Organization may make matching contributions at its discretion. The Organization's match for the years ended June 30, 2025 and 2024 totaled approximately \$116,600 and \$106,300, respectively.

8) 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 uses of funds throughout the year. As part of its liquidity management, the Organization invests cash in excess of daily need in an overnight money market sweep account. 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 as of June 30, 2025:

Cash and cash equivalents	\$ 15,400,780
Grants receivable	471,130
Other receivables	10,196
Investments	<u>3,655,405</u>
Total financial assets available to management for general expenditures within one year	<u>\$ 19,537,511</u>

9) Commitments and contingent liabilities

a) Litigation

The Organization is contingently liable for claims and judgments resulting from lawsuits incidental to normal operations. In the opinion of the Organization's management and legal counsel, adverse decisions that might result, to the extent not covered by insurance, would not have a material effect on the consolidated financial statements. No provision has been made in the consolidated financial statements for possible losses of this nature.

BELLE CHASSE ACADEMY, INC. AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Years Ended June 30, 2025 and 2024

9) Commitments and contingent liabilities (continued)

b) State funding

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

10) Promise to give – free rent

In October 2001, the Foundation entered into a sublease agreement with Louisiana Naval Family Housing L.L.C. to lease the land on which the Academy is located for a rental payment of one dollar (\$1) for the entire lease term of October 1, 2001 to October 1, 2051. In the June 30, 2002 fiscal year, a contribution with donor restrictions and receivable (unconditional promise to give) was recognized for \$535,000, which was the fair value amount of the free use of the land at the beginning of the lease term. Over the period of the lease, the unconditional promise to give is reduced by the annual amortized rent expense of \$10,700.

The amount of unconditional promise to give receivable at June 30 is as follows:

	<u>2025</u>	<u>2024</u>
Receivable in less than one year	\$ 10,700	\$ 10,700
Receivable in one to five years	42,800	42,800
Receivable in more than five years	224,700	235,400
Total unconditional promise to give	<u>\$ 278,200</u>	<u>\$ 288,900</u>

BCA leases computers and office equipment under non-cancellable operating leases, expiring in various dates in the 2026 fiscal year. Lease expense was eliminated during consolidation for the years ended June 30, 2025 and 2024.

11) Long-term debt

On October 15, 2019, the Foundation borrowed monies from Sunflower Public Finance Company, LLC in the amount of \$19,321,994 for the purpose of refunding all of the Series 2011 Revenue Bonds outstanding at the date of the loan, in an aggregate principal amount of \$18,240,000 and paying costs of issuance of the loan. The note payable bears interest at a 5% rate and has a final maturity date of May 1, 2041. The note payable is secured by a mortgage lien. Debt issuance costs are amortized over the period the related obligation is outstanding using the effective interest method. Debt issuance costs are included within long-term debt in the consolidated statements of financial position. Amortization of debt issuance costs is included in interest expense in the accompanying consolidated financial statements. The terms of this agreement include covenants which provide among other factors, for the maintenance of a minimum debt service ratio of 1.20 or greater to 1.00 and to maintain at least 100 days of operating cash on hand. The Organization was in compliance with these covenants as of June 30, 2025.

BELLE CHASSE ACADEMY, INC. AND AFFILIATE  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Years Ended June 30, 2025 and 2024

11) Long-term debt (continued)

Long term debt consists of the following as of June 30:

	<u>2025</u>	<u>2024</u>
Note payable	\$ 15,506,962	\$ 16,132,895
Less: cost of debt issuance	<u>(559,807)</u>	<u>(593,062)</u>
Note payable, net	14,947,155	15,539,833
Less: current portion	<u>(657,925)</u>	<u>(625,934)</u>
Total non current note payable	<u><u>\$ 14,289,230</u></u>	<u><u>\$ 14,913,899</u></u>

Minimum maturities on the note payable for the next five fiscal years and the aggregate due in more than five fiscal years are as follows:

Year ending June 30:	
2026	\$ 657,925
2027	689,776
2028	724,183
2029	761,498
2030	801,523
Thereafter	<u>11,872,057</u>
	<u><u>\$ 15,506,962</u></u>

12) Related party transactions

There is a lease agreement between the Academy and the Foundation with monthly payments of \$51,715. These transactions have been fully eliminated on the consolidated financial statements.

13) Concentration of revenues

In 2025, the Organization received 74% of its revenue from Minimum Foundation Program funding approved by the Louisiana Board of Elementary and Secondary Education. In 2024, the Organization received 69% of its revenue from Minimum Foundation Program funding approved by the Louisiana Board of Elementary and Secondary Education.

14) Board of directors' compensation

The board of directors is a voluntary board; therefore, no compensation was paid to any board member during the years ended June 30, 2025 or 2024.

15) Supplementary disclosures of cash flows

	<u>2025</u>	<u>2024</u>
Cash paid for interest	<u>\$ 805,874</u>	<u>\$ 836,546</u>

16) Subsequent events

Management has evaluated subsequent events through the date of the independent auditor's report, the date which the consolidated financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosures in these consolidated financial statements.

BELLE CHASSE ACADEMY, INC. AND AFFILIATE  
 SUMMARY OF COMPENSATION, BENEFITS, AND OTHER  
 PAYMENTS TO AGENCY HEAD  
 For the Year Ended June 30, 2025

Rene Thompson, Superintendent/CEO – July 1, 2024 – June 30, 2025

<b>Purpose</b>	<b>Amount</b>
Salary	\$ 137,580
Benefits	5,196
Benefits – Health Insurance	13,430
Benefits – FICA and Medicare	13,251

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

To the Board of Directors of  
Belle Chasse Academy, Inc. and Affiliate  
Belle Chasse, 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 consolidated financial statements of Belle Chasse Academy, Inc. and Affiliate d/b/a Belle Chasse Academy (the "Organization"), which comprise the consolidated statement of financial position as of June 30, 2025, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated December 16, 2025.

**Report on Internal Control over Financial Reporting**

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's 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 were not identified.

**Report on Compliance and Other Matters**

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

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Metairie, Louisiana  
December 16, 2025

*Wegmann Dazet*

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

To the Board of Directors of  
Belle Chasse Academy, Inc. and Affiliate  
Belle Chasse, Louisiana

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

***Opinion on Each Major Federal Program***

We have audited Belle Chasse Academy, Inc. and Affiliate d/b/a Belle Chasse Academy's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Belle Chasse Academy's major federal programs for the year ended June 30, 2025. Belle Chasse Academy's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

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

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

We are required to be independent of Belle Chasse Academy, Inc. and Affiliate and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Belle Chasse Academy, Inc. and Affiliate'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 Belle Chasse Academy, Inc. and Affiliate'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 Belle Chasse Academy, Inc. and Affiliate's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from

error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Belle Chasse Academy, Inc. and Affiliate's compliance with the requirements of each 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 Belle Chasse Academy, Inc. and Affiliate'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 Belle Chasse Academy, Inc. and Affiliate'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 Belle Chasse Academy, Inc. and Affiliate'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 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.

Metairie, Louisiana  
December 16, 2025

*Wegmann Dazet*



**BELLE CHASSE ACADEMY, INC. AND AFFILIATE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

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

<b>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</b>	<b>Federal A.L. Number</b>	<b>Pass-through Entity Identifier Number</b>	<b>Federal Expenditures</b>
<b>US DEPARTMENT OF EDUCATION</b>			
Impact Aid 7003(b) - Basic Support	84.041	N/A	\$ 2,692,361
<b>Total Direct awards</b>			<b>2,692,361</b>
Passed through the Louisiana Department of Education			
Title I, Part A - Grants to local Education Agencies	84.010	S010A230018	223,942
Title II, Part A - Supporting Effective Instruction State Grants	84.367	S367A230017	34,931
Student Support and Academic Enrichment Programs	84.424	S424A230019	17,242
Education Technology State Grants	84.318	Unavailable	6,759
21st Century Community Learning Centers	84.287	Unavailable	1,333,057
American Rescue Plan - Elementary and Secondary School Emergency Relief	84.425U	S425U10003	171,872
Special Education Cluster			
Special Education Grants to States	84.027	H027A230033	237,498
Special Education Preschool Grants	84.173A	H173A230082	1,640
<b>Total Special Education Cluster</b>			<b>239,138</b>
<b>Total Pass-Through Awards</b>			<b>2,026,941</b>
<b>Total US Department of Education</b>			<b>4,719,302</b>
<b>US DEPARTMENT OF AGRICULTURE</b>			
Passed through the Louisiana Department of Education			
Child Nutrition Cluster			
National School Lunch Program	10.555	Unavailable	273,551
<b>Total Child Nutrition Cluster</b>			<b>273,551</b>
Child & Adult Care Food Program (CACFP)	10.558	2005-KN47NBPZ9EV7	1,683
<b>Total Pass-Through Awards</b>			<b>275,234</b>
<b>Total US Department of Agriculture</b>			<b>275,234</b>
<b>US DEPARTMENT OF DEFENSE</b>			
Competitive Grant: Promoting K-12 Achievement at Military-Connected Schools	12.556	N/A	268,986
Public Schools on Military Installations Renovations and New Construction	12.600	N/A	1,571,197
U. S. Dept. of Defense	HE1254-16-0003	N/A	288,796
<b>Total Direct awards</b>			<b>2,128,979</b>
<b>Total US Department of Defense</b>			<b>2,128,979</b>
<b>Total Federal Expenditures</b>			<b>\$ 7,123,515</b>

BELLE CHASSE ACADEMY, INC. AND AFFILIATE  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2025

Note 1 General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of Belle Chasse Academy, Inc. All federal award programs received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule. Because this schedule presents only a select portion of operations of Belle Chasse Academy, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Belle Chasse Academy, Inc.

Note 2 Basis of accounting

The accompanying Schedule of Expenditures of Federal Awards is presented on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited to reimbursement. 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 3 Indirect cost rate

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

BELLE CHASSE ACADEMY, INC. AND AFFILIATE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2025

I. SUMMARY OF THE AUDITOR RESULTS

Financial Statements

1. Type of report issued on the financial statements: **Unmodified Opinion.**
2. Significant deficiencies in internal control were disclosed by the audit of the financial statements: **None reported.**  
Material weaknesses: **No.**
3. Noncompliance which is material to the financial statements: **No.**
4. A management letter was issued: **No.**

Federal Awards

5. Significant deficiencies in internal control over major programs: **None reported.**  
Material weaknesses: **No.**
6. Type of report issued on compliance for major programs: **Unmodified Opinion.**
7. Any audit findings which are required to be reported in accordance with 2CFR 200.516(a): **No.**
8. Major programs for the fiscal year ended June 30, 2025 were:

<u>Federal Program or Cluster</u>	<u>Federal Assistance Listing Number</u>
21 <sup>st</sup> Century Community Learning Center	84.287
Public Schools on Military Installations Renovations and New Construction	12.600

9. Dollar threshold used to distinguish between Type A and Type B programs: **\$750,000.**
10. Auditee qualified as a low-risk auditee under Uniform Guidance: **Yes.**

II. FINACIAL STATEMENT FINDINGS

*There were no financial statement findings for the year ended June 30, 2025.*

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

*There were no findings related to federal awards for the year ended June 30, 2025.*

IV. FINDINGS AND QUESTIONED COSTS – PRIOR YEAR

*There were no findings related to federal awards for the year ended June 30, 2024.*

INDEPENDENT ACCOUNTANT'S REPORT ON  
APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of  
Belle Chasse Academy, Inc. and Affiliate  
Belle Chasse, Louisiana

To Belle Chasse Academy, Inc. and Affiliate, the Louisiana Department of Education, and the Louisiana  
Legislative Auditor:

We have performed the procedures enumerated below on the performance and statistical data accompanying the annual financial statements of Belle Chasse Academy, Inc. and Affiliate 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 Belle Chasse Academy, Inc. and Affiliate is responsible for its performance and statistical data.

Belle Chasse Academy, Inc. and Affiliate 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 consolidated 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 random 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

**Results:** No exceptions noted.

Class Size Characteristics (Schedule 2)

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

**Results:** No exceptions noted.

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

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

**Results:** We noted one instance in our random sample of 25 individuals where the employee education level reported to the Department of Education did not agree to the employees personnel file.

### 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).

**Results:** No exceptions noted.

We were engaged by Belle Chasse Academy, Inc. and Affiliate 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 Belle Chasse Academy, Inc. 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 the performance and statistical data accompanying the annual consolidated financial statements of the Belle Chasse Academy, Inc., 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.

Metairie, Louisiana  
December 16, 2025

*Wegmann Dazet*

BELLE CHASSE ACADEMY, INC. AND AFFILIATE  
SCHEDULES REQUIRED BY STATE LAW  
(R.S. 24:514 – PERFORMANCE AND STATISTICAL DATA)

As of and For the Year Ended June 30, 2025

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

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

Schedule 2 – Class Size Characteristics

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

BELLE CHASSE ACADEMY  
BELLE CHASSE, LOUISIANA

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

<b><u>General Fund Instructional and Equipment Expenditures</u></b>	<b><u>Column A</u></b>	<b><u>Column B</u></b>
General Fund Instructional Expenditures:		
Teacher and Student Interaction Activities:		
Classroom Teacher Salaries	\$ 8,794,701	
Other Instructional Staff Activities	89,791	
Instructional Staff Employee Benefits	1,257,244	
Purchased Professional and Technical Services	380,697	
Instructional Materials and Supplies	289,789	
Instructional Equipment	<u>75,499</u>	
Total Teacher and Student Interaction Activities		10,887,721
Other Instructional Activities		1,605,005
Pupil Support Activities	663,781	
Less: Equipment for Pupil Support Activities	<u>-</u>	
Net Pupil Support Activities		663,781
Instructional Staff Services	469,348	
Less: Equipment for Instructional Staff Services	<u>-</u>	
Net Instructional Staff Services		469,348
School Administration	992,736	
Less: Equipment for School Administration	<u>-</u>	
Net School Administration		<u>992,736</u>
Total General Fund Instructional Expenditures (Total of Column B)		<u><u>\$ 14,618,591</u></u>
Total General Fund Equipment Expenditures (Object 730; Function Series 1000-4000)		<u><u>\$ 16,058</u></u>

BELLE CHASSE ACADEMY  
BELLE CHASSE, LOUISIANA

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

<b><u>Certain Local Revenue Sources</u></b>	<b><u>Column A</u></b>	<b><u>Column B</u></b>
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		<u>\$ -</u>
Local Earnings on Investment in Real Property:		
Earnings from 16th Section Property		\$ -
Earnings from Other Real Property		-
Total Local Earnings on Investment in Real Property		<u>\$ -</u>
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		<u>\$ -</u>
Nonpublic Textbook Revenue		<u>\$ -</u>
Nonpublic Transportation Revenue		<u>\$ -</u>



BELLE CHASSE ACADEMY  
BELLE CHASSE, LOUISIANA

Class Size Characteristics  
As of October 1, 2024

	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
School Type	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	26%	105	44%	173	-	-	1%	6
Elementary Activity Classes	2%	7	4%	17	-	-	-	-
Middle/Jr. High	12%	49	6%	25	1%	2	1%	4
Middle/Jr. High Activity Classes	-	-	1%	3	1%	2	1%	3
High	-	-	-	-	-	-	-	-
High Activity Classes	-	-	-	-	-	-	-	-
Combination	-	-	-	-	-	-	-	-
Combination Activity Classes	-	-	-	-	-	-	-	-

\* Elementary Band class of 34+ students is a Marching Band Class and must be in the same class so they can practice marching for Mardi Gras Parades.

INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of Belle Chasse Academy, Inc and Affiliate  
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2024 through June 30, 2025. Belle Chasse Academy, Inc (Entity) 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 the LLA's SAUPs for the fiscal period July 1, 2024 through June 30, 2025. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purpose. 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***

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

- g) ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- h) ***Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- i) ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) ***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.

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

#### ***Board or Finance Committee***

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- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
  - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
  - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, at a minimum, on proprietary funds, and semi-annual budget- to-actual comparisons, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
  - c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
  - d) Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

***Bank Reconciliations***

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

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

***Collections (excluding electronic funds transfers)***

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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).

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

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 (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
  - a) Employees responsible for cash collections do not share cash drawers/registers.

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

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

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

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

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

- 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 is (are) not responsible for collecting cash, unless another employee/official verifies the reconciliation.

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

- 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 in force during the fiscal period.

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

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

- a) Observe that receipts are sequentially pre-numbered.
- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- c) Trace the deposit slip total to the actual deposit per the bank statement.
- d) Observe 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).
- e) Trace the actual deposit per the bank statement to the general ledger.

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

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

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- 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).

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

- 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, then 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 or making the purchase.

- b) At least two employees are involved in processing and approving payments to vendors.
- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
- e) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

10. For each location selected under procedure #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
  - a) Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity.

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

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

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

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

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

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

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

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

13. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
- a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.
  - b) Observe that finance charges and late fees were not assessed on the selected statements.

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

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

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

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

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15. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- a) If reimbursed using a per diem, observe 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)).
  - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
  - c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures in procedure #1.
  - d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

## ***Contracts***

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

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

## ***Payroll and Personnel***

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

**Procedure Results** - We performed the procedures noted above and noted no exceptions.

18. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #17 above, obtain attendance records and leave documentation for the pay period, and:
- a) Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
  - b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.
  - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
  - d) Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

**Procedure Results** - We performed the procedures noted above and noted no exceptions.



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

**Procedure Results** - We performed the procedures noted above and noted no exceptions.

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

**Procedure Results** - We performed the procedure noted above and noted no exceptions.

### ***Ethics***

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21. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #17 obtain ethics documentation from management, and:
  - a) Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
  - 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.

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

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

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

### ***Debt Service***

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

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

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

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

#### ***Fraud Notice***

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25. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

26. 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.

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

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

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27. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."
- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
  - 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, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
  - 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.

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

28. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in Payroll and Personnel procedure #17. Observe evidence that the selected terminated employees have been removed or disabled from the network.

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

29. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #17, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

- Hired before June 9, 2020 - completed the training; and
- Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

### ***Prevention of Sexual Harassment***

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30. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #17, 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.

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

31. 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).

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

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

- a) Number and percentage of public servants in the agency who have completed the training requirements.
- b) Number of sexual harassment complaints received by the agency.
- c) Number of complaints which resulted in a finding that sexual harassment occurred.
- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action.
- e) Amount of time it took to resolve each complaint.

**N/A - procedure was not tested due to 2-year testing cycle, as approved by the LLA.**

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.

Metairie, Louisiana  
December 16, 2025

*Wegmann Dazet*