

JCFA
NEW ORLEANS, LOUISIANA
COMBINING FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020



ERICKSEN KRENTEL^{LLP}
CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

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INDEPENDENT AUDITORS' REPORT

To the Board of Governance of
JCFA
New Orleans, Louisiana

Report on the Combining Financial Statements

We have audited the accompanying combining financial statements of JCFA (a nonprofit corporation), which comprise the combining statements of financial position as of June 30, 2021, and the related combining statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the combining financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these combining financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the *Louisiana Governmental Audit Guide*, and the standards applicable to financial audit contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combining financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combining financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combining financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



To the Board of Governance of
JCFA
New Orleans, Louisiana

Opinion

In our opinion, the combining financial statements referred to above present fairly, in all material respects, the financial position of JCFA as of June 30, 2021, and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Prior Period Financial Statements

The financial statements of JCFA as of June 30, 2020, were audited by other auditors whose report dated September 28, 2020, expressed an unmodified opinion on those statements.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the combining financial statements as a whole. The accompanying schedule of compensation, benefits, and other payments to agency head (Schedule "1"), as required by Louisiana Revised Statute 24:513 A.(3), is presented for purposes of additional analysis and is also not a required part of the combining financial statements. The supplementary schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combining financial statements. The information has been subjected to the auditing procedures applied in the audit of the combining financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combining financial statements or to the combining financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the combining financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2021 on our consideration of JCFA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of JCFA'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 JCFA's internal control over financial reporting and compliance.

November 10, 2021
New Orleans, Louisiana

Ericksen Krentel, LLP
Certified Public Accountant

FINANCIAL STATEMENTS

JCFA
COMBINING STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2021

	<u>CMO</u>	<u>West Bank</u>	<u>East Bank</u>	<u>Lafayette</u>	<u>Total</u>
<u>CURRENT ASSETS:</u>					
Cash and cash equivalents	\$ 146,682	\$ 275,994	\$ 430,563	\$ 82,936	\$ 936,175
Grants receivable	-	172,572	90,915	4,451	267,938
Prepaid expenses	398	1,855	645	12,090	14,988
	<u>147,080</u>	<u>450,421</u>	<u>522,123</u>	<u>99,477</u>	<u>1,219,101</u>
<u>PROPERTY AND EQUIPMENT:</u>					
Computers	-	120,227	73,194	15,370	208,791
Software	-	19,101	-	-	19,101
Furniture and fixtures	3,642	-	5,537	10,647	19,826
Leasehold improvements	-	15,650	95,899	-	111,549
Vehicles	-	27,050	-	-	27,050
Accumulated depreciation	(3,623)	(154,435)	(159,488)	(18,704)	(336,250)
	<u>19</u>	<u>27,593</u>	<u>15,142</u>	<u>7,313</u>	<u>50,067</u>
Total fixed assets, net	<u>19</u>	<u>27,593</u>	<u>15,142</u>	<u>7,313</u>	<u>50,067</u>
Total assets	<u>\$ 147,099</u>	<u>\$ 478,014</u>	<u>\$ 537,265</u>	<u>\$ 106,790</u>	<u>\$ 1,269,168</u>
<u>CURRENT LIABILITIES:</u>					
Accounts payable	\$ 2,499	\$ 15,665	\$ 18,979	\$ 5,273	\$ 42,416
Accrued expenses	10,500	54,387	59,336	24,503	148,726
	<u>12,999</u>	<u>70,052</u>	<u>78,315</u>	<u>29,776</u>	<u>191,142</u>
Total current liabilities	<u>12,999</u>	<u>70,052</u>	<u>78,315</u>	<u>29,776</u>	<u>191,142</u>
Total liabilities	<u>12,999</u>	<u>70,052</u>	<u>78,315</u>	<u>29,776</u>	<u>191,142</u>
<u>NET ASSETS:</u>					
Without donor restrictions	134,100	407,962	458,950	77,014	1,078,026
With donor restrictions	-	-	-	-	-
	<u>134,100</u>	<u>407,962</u>	<u>458,950</u>	<u>77,014</u>	<u>1,078,026</u>
Total net assets	<u>134,100</u>	<u>407,962</u>	<u>458,950</u>	<u>77,014</u>	<u>1,078,026</u>
Total liabilities and net assets	<u>\$ 147,099</u>	<u>\$ 478,014</u>	<u>\$ 537,265</u>	<u>\$ 106,790</u>	<u>\$ 1,269,168</u>

JCFA
COMBINING STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2020

	<u>CMO</u>	<u>West Bank</u>	<u>East Bank</u>	<u>Lafayette</u>	<u>Total</u>
<u>CURRENT ASSETS:</u>					
Cash and cash equivalents	\$ 125,825	\$ 362,462	\$ 187,228	\$ 17,467	\$ 692,982
Grants receivable	14,526	125,163	181,707	39,243	360,639
Prepaid expenses	13,333	1,506	-	16,560	31,399
	<u>153,684</u>	<u>489,131</u>	<u>368,935</u>	<u>73,270</u>	<u>1,085,020</u>
<u>PROPERTY AND EQUIPMENT:</u>					
Computers	-	120,227	73,194	15,370	208,791
Software	-	19,101	-	-	19,101
Furniture and fixtures	3,642	-	5,537	10,647	19,826
Leasehold improvements	-	15,650	80,956	-	96,606
Vehicles	-	-	-	-	-
Accumulated depreciation	(2,895)	(152,171)	(141,999)	(14,002)	(311,067)
	<u>747</u>	<u>2,807</u>	<u>17,688</u>	<u>12,015</u>	<u>33,257</u>
Total fixed assets, net	<u>747</u>	<u>2,807</u>	<u>17,688</u>	<u>12,015</u>	<u>33,257</u>
Total assets	<u>\$ 154,431</u>	<u>\$ 491,938</u>	<u>\$ 386,623</u>	<u>\$ 85,285</u>	<u>\$ 1,118,277</u>
<u>CURRENT LIABILITIES:</u>					
Accounts payable	\$ 10,031	\$ 6,094	\$ 13,011	\$ 7,199	\$ 36,335
Accrued expenses	10,300	3,646	5,393	2,653	21,992
	<u>20,331</u>	<u>9,740</u>	<u>18,404</u>	<u>9,852</u>	<u>58,327</u>
Total current liabilities	<u>20,331</u>	<u>9,740</u>	<u>18,404</u>	<u>9,852</u>	<u>58,327</u>
Total liabilities	<u>20,331</u>	<u>9,740</u>	<u>18,404</u>	<u>9,852</u>	<u>58,327</u>
<u>NET ASSETS:</u>					
Without donor restrictions	134,100	482,198	368,219	75,433	1,059,950
With donor restrictions	-	-	-	-	-
	<u>134,100</u>	<u>482,198</u>	<u>368,219</u>	<u>75,433</u>	<u>1,059,950</u>
Total net assets	<u>134,100</u>	<u>482,198</u>	<u>368,219</u>	<u>75,433</u>	<u>1,059,950</u>
Total liabilities and net assets	<u>\$ 154,431</u>	<u>\$ 491,938</u>	<u>\$ 386,623</u>	<u>\$ 85,285</u>	<u>\$ 1,118,277</u>

JCFA
COMBINING STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

	CMO			West Bank Campus		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<u>REVENUE:</u>						
State and local public school funding	\$ -	\$ -	\$ -	\$ 1,568,557	\$ -	\$ 1,568,557
Federal grants	-	-	-	250,886	-	250,886
Other income	716,207	-	716,207	-	-	-
Net assets released from restrictions	-	-	-	-	-	-
	<u>716,207</u>	<u>-</u>	<u>716,207</u>	<u>1,819,443</u>	<u>-</u>	<u>1,819,443</u>
Total revenue						
	<u>716,207</u>	<u>-</u>	<u>716,207</u>	<u>1,819,443</u>	<u>-</u>	<u>1,819,443</u>
<u>EXPENSES:</u>						
Program services:						
Special education program	32,824	-	32,824	117,146	-	117,146
Career and technical education	250	-	250	85,761	-	85,761
Other instructional programs	8,170	-	8,170	593,993	-	593,993
Pupil support services	2,155	-	2,155	244,325	-	244,325
Instructional staff services	210,990	-	210,990	10,053	-	10,053
School administration	4,155	-	4,155	288,343	-	288,343
Operation and maintenance of plant	10,736	-	10,736	232,326	-	232,326
Student transportation services	-	-	-	2,882	-	2,882
Food service	490	-	490	8,146	-	8,146
Depreciation	728	-	728	2,263	-	2,263
Management and general:						
General administration	184,823	-	184,823	28,920	-	28,920
Business services	-	-	-	279,321	-	279,321
Central services	260,886	-	260,886	200	-	200
	<u>716,207</u>	<u>-</u>	<u>716,207</u>	<u>1,893,679</u>	<u>-</u>	<u>1,893,679</u>
Total expenses						
	<u>716,207</u>	<u>-</u>	<u>716,207</u>	<u>1,893,679</u>	<u>-</u>	<u>1,893,679</u>
Change in net assets	-	-	-	(74,236)	-	(74,236)
Net assets, beginning of year	<u>134,100</u>	<u>-</u>	<u>134,100</u>	<u>482,198</u>	<u>-</u>	<u>482,198</u>
Net assets, end of year	<u>\$ 134,100</u>	<u>\$ -</u>	<u>\$ 134,100</u>	<u>\$ 407,962</u>	<u>\$ -</u>	<u>\$ 407,962</u>

See accompanying NOTES TO FINANCIAL STATEMENTS

JCFA
COMBINING STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

	East Bank Campus			Lafayette Campus			Interfund Eliminations	2021 Combined Totals
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total		
REVENUE:								
State and local public school funding	\$ 1,914,233	\$ -	\$ 1,914,233	\$ 718,224	\$ -	\$ 718,224	\$ (96,329)	\$ 4,104,685
Federal grants	388,923	-	388,923	93,969	-	93,969	-	733,778
Other income	-	-	-	-	-	-	(716,207)	-
Net assets released from restrictions	-	-	-	-	-	-	-	-
Total revenue	2,303,156	-	2,303,156	812,193	-	812,193	(812,536)	4,838,463
EXPENSES:								
Program services:								
Special education program	142,414	-	142,414	33,033	-	33,033	-	325,417
Career and technical education	69,104	-	69,104	13,616	-	13,616	-	168,731
Other instructional programs	583,628	-	583,628	207,758	-	207,758	-	1,393,549
Pupil support services	292,739	-	292,739	145,463	-	145,463	-	684,682
Instructional staff services	64,192	-	64,192	4,835	-	4,835	-	290,070
School administration	397,264	-	397,264	164,705	-	164,705	-	854,467
Operation and maintenance of plant	206,461	-	206,461	101,236	-	101,236	-	550,759
Student transportation services	5,501	-	5,501	1,828	-	1,828	-	10,211
Food service	10,208	-	10,208	2,248	-	2,248	-	21,092
Depreciation	17,489	-	17,489	4,702	-	4,702	-	25,182
Management and general:								
General administration	18,902	-	18,902	2,196	-	2,196	-	234,841
Business services	404,298	-	404,298	128,917	-	128,917	(812,536)	-
Central services	225	-	225	75	-	75	-	261,386
Total expenses	2,212,425	-	2,212,425	810,612	-	810,612	(812,536)	4,820,387
Change in net assets	90,731	-	90,731	1,581	-	1,581	-	18,076
Net assets, beginning of year	368,219	-	368,219	75,433	-	75,433	-	1,059,950
Net assets, end of year	\$ 458,950	\$ -	\$ 458,950	\$ 77,014	\$ -	\$ 77,014	\$ -	\$ 1,078,026

See accompanying NOTES TO FINANCIAL STATEMENTS

JCFA
COMBINING STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

	CMO			West Bank		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<u>REVENUE:</u>						
State and local public school funding	\$ -	\$ -	\$ -	\$ 1,584,236	\$ -	\$ 1,584,236
Federal grants	26,774	-	26,774	158,022	-	158,022
Other income	759,088	-	759,088	20,446	-	20,446
Net assets released from restrictions	-	-	-	-	-	-
	<u>785,862</u>	<u>-</u>	<u>785,862</u>	<u>1,762,704</u>	<u>-</u>	<u>1,762,704</u>
Total revenue						
<u>EXPENSES:</u>						
Program services:						
Special education program	-	-	-	102,327	-	102,327
Career and technical education	8	-	8	83,409	-	83,409
Other instructional programs	105	-	105	504,501	-	504,501
Pupil support services	8,342	-	8,342	223,498	-	223,498
Instructional staff services	231,766	-	231,766	5,131	-	5,131
School administration	140,887	-	140,887	283,095	-	283,095
Operation and maintenance of plant	12,369	-	12,369	140,803	-	140,803
Student transportation services	-	-	-	10,037	-	10,037
Food service	-	-	-	2,604	-	2,604
Depreciation	728	-	728	1,813	-	1,813
Management and general:						
General administration	57,812	-	57,812	455	-	455
Business services	54,619	-	54,619	257,685	-	257,685
Central services	235,302	-	235,302	1,041	-	1,041
	<u>741,938</u>	<u>-</u>	<u>741,938</u>	<u>1,616,399</u>	<u>-</u>	<u>1,616,399</u>
Total expenses						
Change in net assets	43,924	-	43,924	146,305	-	146,305
Net assets, beginning of year	<u>90,176</u>	<u>-</u>	<u>90,176</u>	<u>335,893</u>	<u>-</u>	<u>335,893</u>
Net assets, end of year	<u>\$ 134,100</u>	<u>\$ -</u>	<u>\$ 134,100</u>	<u>\$ 482,198</u>	<u>\$ -</u>	<u>\$ 482,198</u>

See accompanying NOTES TO FINANCIAL STATEMENTS

JCFA
COMBINING STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

	East Bank			Lafayette			Interfund Eliminations	2020 Combined Totals
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total		
REVENUE:								
State and local public school funding	\$ 2,352,291	\$ -	\$ 2,352,291	\$ 712,024	\$ -	\$ 712,024	\$ -	\$ 4,648,551
Federal grants	436,726	-	436,726	100,269	-	100,269	-	721,791
Other income	23,297	-	23,297	180	-	180	(741,936)	61,075
Net assets released from restrictions	-	-	-	-	-	-	-	-
Total revenue	2,812,314	-	2,812,314	812,473	-	812,473	(741,936)	5,431,417
EXPENSES:								
Program services:								
Special education program	134,281	-	134,281	28,797	-	28,797	-	265,405
Career and technical education	130,284	-	130,284	2,635	-	2,635	-	216,336
Other instructional programs	852,417	-	852,417	227,223	-	227,223	-	1,584,246
Pupil support services	379,396	-	379,396	176,376	-	176,376	-	787,612
Instructional staff services	12,250	-	12,250	888	-	888	-	250,035
School administration	456,572	-	456,572	111,540	-	111,540	-	992,094
Operation and maintenance of plant	314,083	-	314,083	97,429	-	97,429	-	564,684
Student transportation services	14,125	-	14,125	1,492	-	1,492	-	25,654
Food service	11,961	-	11,961	310	-	310	-	14,875
Depreciation	19,426	-	19,426	4,702	-	4,702	-	26,669
Management and general:								
General administration	480	-	480	1,689	-	1,689	-	60,436
Business services	374,052	-	374,052	110,883	-	110,883	(741,936)	55,303
Central services	7,304	-	7,304	3,193	-	3,193	-	246,840
Total expenses	2,706,631	-	2,706,631	767,157	-	767,157	(741,936)	5,090,189
Change in net assets	105,683	-	105,683	45,316	-	45,316	-	341,228
Net assets, beginning of year	262,536	-	262,536	30,117	-	30,117	-	718,722
Net assets, end of year	\$ 368,219	\$ -	\$ 368,219	\$ 75,433	\$ -	\$ 75,433	\$ -	\$ 1,059,950

See accompanying NOTES TO FINANCIAL STATEMENTS

JCFA
COMBINING STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30 2021

	CMO			West Bank		
	Program Services	Support Services	Total	Program Services	Support Services	Total
	Instructional	Management and General		Instructional	Management and General	
Salaries	\$ 199,302	\$ 201,609	400,911	\$ 883,729	\$ 400	884,129
Social security	12,035	12,308	24,343	49,525	-	49,525
Medicare	2,815	2,886	5,701	11,634	-	11,634
Unemployment	428	285	713	2,534	-	2,534
Retirement	16,064	16,209	32,273	53,628	-	53,628
Other benefits	10,265	10,967	21,232	71,490	-	71,490
Other professional services	2,335	158,355	160,690	106,570	-	106,570
Advertising	6,788	7,960	14,748	-	-	-
Travel	3,820	1,639	5,459	3,550	310	3,860
Supplies	403	1,960	2,363	72,584	267	72,851
Utilities	-	-	-	16,715	-	16,715
Rent	-	-	-	115,090	-	115,090
Insurance	10,736	24,502	35,238	2,915	-	2,915
Communication	3,740	4,483	8,223	102,417	-	102,417
Repairs and maintenance	-	-	-	76,409	-	76,409
Transportation	-	-	-	2,882	-	2,882
Food service management	887	40	927	8,363	-	8,363
Depreciation expense	728	-	728	2,263	-	2,263
Other	153	2,505	2,658	2,940	28,144	31,084
	<u>153</u>	<u>2,505</u>	<u>2,658</u>	<u>2,940</u>	<u>28,144</u>	<u>31,084</u>
Total expenses	<u>\$ 270,499</u>	<u>\$ 445,708</u>	<u>\$ 716,207</u>	<u>\$ 1,585,238</u>	<u>\$ 29,121</u>	<u>\$ 1,614,359</u>

See accompanying NOTES TO FINANCIAL STATEMENTS

JCFA
COMBINING STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30 2021

	East Bank			Lafayette			2021		
	Program Services	Support Services	Total	Program Services	Support Services	Total	Program Services	Support Services	Total
	Instructional	Management and General		Instructional	Management and General		Instructional	Management and General	
Salaries	\$ 1,098,214	\$ 11,557	1,109,771	\$ 370,285	\$ 150	370,435	\$ 2,551,530	\$ 213,716	\$ 2,765,246
Social security	67,428	689	68,117	22,187	-	22,187	151,175	12,997	164,172
Medicare	15,993	161	16,154	5,276	-	5,276	35,718	3,047	38,765
Unemployment	2,598	172	2,770	1,187	-	1,187	6,747	457	7,204
Retirement	59,441	-	59,441	16,678	-	16,678	145,811	16,209	162,020
Other benefits	86,464	-	86,464	32,928	-	32,928	201,147	10,967	212,114
Purchased educational services	-	-	-	-	-	-	-	-	-
Other professional services	79,078	-	79,078	39,590	-	39,590	227,573	158,355	385,928
Advertising	-	-	-	-	-	-	6,788	7,960	14,748
Travel	4,976	1,554	6,530	5,281	225	5,506	17,627	3,728	21,355
Supplies	45,346	33	45,379	20,749	-	20,749	139,082	2,260	141,342
Utilities	24,367	-	24,367	4,073	-	4,073	45,155	-	45,155
Rent	106,008	-	106,008	74,435	-	74,435	295,533	-	295,533
Insurance	-	-	-	6,865	-	6,865	20,516	24,502	45,018
Communication	111,042	-	111,042	45,342	-	45,342	262,541	4,483	267,024
Repairs and maintenance	54,079	-	54,079	12,665	-	12,665	143,153	-	143,153
Transportation	5,501	-	5,501	1,828	-	1,828	10,211	-	10,211
Food service management	10,463	-	10,463	2,722	-	2,722	22,435	40	22,475
Depreciation expense	17,489	-	17,489	4,702	-	4,702	25,182	-	25,182
Other	513	4,960	5,473	12,632	1,895	14,527	16,238	37,504	53,742
Total expenses	\$ 1,789,000	\$ 19,126	\$ 1,808,126	\$ 679,425	\$ 2,270	\$ 681,695	\$ 4,324,162	\$ 496,225	\$ 4,820,387

See accompanying NOTES TO FINANCIAL STATEMENTS

JCFA
COMBINING STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30 2020

	CMO			West Bank		
	Program Services	Support Services	Total	Program Services	Support Services	Total
	Instructional	Management and General		Instructional	Management and General	
Salaries	\$ 298,713	\$ 207,692	506,405	\$ 818,566	\$ -	818,566
Social security	24,031	7,484	31,515	48,170	-	48,170
Medicare	4,375	2,994	7,369	11,291	-	11,291
Unemployment	433	521	954	3,698	-	3,698
Retirement	23,539	14,717	38,256	45,511	46	45,557
Other benefits	16,857	6,773	23,630	68,584	-	68,584
Purchased educational services	-	-	-	-	-	-
Other professional services	1,200	52,520	53,720	76,498	-	76,498
Advertising	7,336	3,074	10,410	6	-	6
Travel	6,581	10,164	16,745	1,281	739	2,020
Supplies	981	11,988	12,969	36,744	757	37,501
Utilities	-	-	-	-	-	-
Rent	598	-	598	87,558	-	87,558
Insurance	4,639	27,593	32,232	1,737	-	1,737
Communication	3,042	3,646	6,688	57,448	-	57,448
Repairs and maintenance	-	-	-	46,663	-	46,663
Transportation	-	-	-	13,089	-	13,089
Food service management	-	-	-	4,697	-	4,697
Depreciation expense	728	-	728	1,813	-	1,813
Other	1,152	(1,433)	(281)	33,864	-	33,864
Total expenses	\$ 394,205	\$ 347,733	\$ 741,938	\$ 1,357,218	\$ 1,542	\$ 1,358,760

See accompanying NOTES TO FINANCIAL STATEMENTS

JCFA
COMBINING STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30 2020

	East Bank			Lafayette			2020		
	Program Services	Support Services	Total	Program Services	Support Services	Total	Program Services	Support Services	Total
	Instructional	Management and General		Instructional	Management and General		Instructional	Management and General	
Salaries	\$ 1,303,506	\$ -	1,303,506	\$ 385,164	\$ -	385,164	\$ 2,805,949	\$ 207,692	\$ 3,013,641
Social security	77,599	-	77,599	23,602	-	23,602	173,402	7,484	180,886
Medicare	18,480	-	18,480	5,520	-	5,520	39,666	2,994	42,660
Unemployment	5,199	-	5,199	1,609	-	1,609	10,939	521	11,460
Retirement	71,175	-	71,175	18,319	-	18,319	158,544	14,763	173,307
Other benefits	121,467	-	121,467	19,908	100	20,008	226,816	6,873	233,689
Purchased educational services	-	-	-	-	-	-	-	-	-
Other professional services	306,525	6,925	313,450	34,969	-	34,969	419,192	59,445	478,637
Advertising	-	-	-	-	-	-	7,342	3,074	10,416
Travel	2,004	-	2,004	4,946	4,685	9,631	14,812	15,588	30,400
Supplies	101,554	771	102,325	19,813	97	19,910	159,092	13,613	172,705
Utilities	5,828	-	5,828	852	-	852	6,680	-	6,680
Rent	158,024	-	158,024	63,128	-	63,128	309,308	-	309,308
Insurance	-	-	-	9,163	-	9,163	15,539	27,593	43,132
Communication	8,524	715	9,239	33,420	-	33,420	102,434	4,361	106,795
Repairs and maintenance	82,227	-	82,227	14,734	-	14,734	143,624	-	143,624
Transportation	19,477	-	19,477	2,237	-	2,237	34,803	-	34,803
Food service management	12,514	-	12,514	342	-	342	17,553	-	17,553
Depreciation expense	19,426	-	19,426	4,702	-	4,702	26,669	-	26,669
Other	11,266	11	11,277	8,964	-	8,964	55,246	(1,422)	53,824
Total expenses	\$ 2,324,795	\$ 8,422	\$ 2,333,217	\$ 651,392	\$ 4,882	\$ 656,274	\$ 4,727,610	\$ 362,579	\$ 5,090,189

See accompanying NOTES TO FINANCIAL STATEMENTS

JCFA
COMBINING STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

	CMO	West Bank	East Bank	Lafayette	Interfund Eliminations	Combined Totals
<u>CASH FLOWS FROM (USED FOR) OPERATING ACTIVITIES:</u>						
Change in net assets	-	(74,236)	90,731	1,581	-	\$ 18,076
Adjustments to reconcile change in net assets to cash and cash equivalents from (used for) operating activities:						
Depreciation expense	728	2,263	17,489	4,702	-	25,182
(Increase) decrease in:						
Accounts receivable	14,526	(47,409)	90,792	34,792	-	92,701
Prepaid expenses	12,935	(349)	(645)	4,470	-	16,411
Increase (decrease) in:						
Accounts payable	(7,532)	9,571	5,968	(1,926)	-	6,081
Accrued expenses	200	50,742	53,943	21,850	-	126,735
Net cash from (used for) operating activities	<u>20,857</u>	<u>(59,418)</u>	<u>258,278</u>	<u>65,469</u>	<u>-</u>	<u>285,186</u>
<u>CASH FLOWS FROM (USED FOR) INVESTING ACTIVITIES:</u>						
Capital expenditures	<u>-</u>	<u>(27,050)</u>	<u>(14,943)</u>	<u>-</u>	<u>-</u>	<u>(41,993)</u>
Net cash from (used for) investing activities	<u>-</u>	<u>(27,050)</u>	<u>(14,943)</u>	<u>-</u>	<u>-</u>	<u>(41,993)</u>
Net increase (decrease) in cash and cash equivalents	20,857	(86,468)	243,335	65,469	-	243,193
Cash and cash equivalents, beginning of year	<u>125,825</u>	<u>362,462</u>	<u>187,228</u>	<u>17,467</u>	<u>-</u>	<u>692,982</u>
Cash and cash equivalents, end of year	<u>\$ 146,682</u>	<u>\$ 275,994</u>	<u>\$ 430,563</u>	<u>\$ 82,936</u>	<u>\$ -</u>	<u>\$ 936,175</u>

See accompanying NOTES TO FINANCIAL STATEMENTS

JCFA
COMBINING STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020

	CMO	West Bank	East Bank	Lafayette	Interfund Eliminations	2020
<u>CASH FLOWS FROM (USED FOR) OPERATING ACTIVITIES:</u>						
Change in net assets	\$ 43,924	\$ 146,305	\$ 105,683	\$ 45,316	\$ -	\$ 341,228
Adjustments to reconcile change in net assets to cash and cash equivalents from (used for) operating activities:						
Depreciation expense	728	1,813	19,426	4,702	-	26,669
(Increase) decrease in:						
Accounts receivable	(12,736)	(92,219)	(147,671)	(36,913)	-	(289,539)
Prepaid expenses	(10,852)	40,606	-	(608)	-	29,146
Due from other funds	1,417,683	1,372,317	1,347,806	-	(4,137,806)	-
Increase (decrease) in:						
Accounts payable	10,032	(27,223)	13,011	7,200	-	3,020
Accrued expenses	10,300	3,645	5,393	2,653	-	21,991
Due to other funds	(1,367,308)	(1,356,593)	(1,312,066)	(101,839)	4,137,806	-
Net cash from (used for) operating activities	<u>91,771</u>	<u>88,651</u>	<u>31,582</u>	<u>(79,489)</u>	<u>-</u>	<u>132,515</u>
Net increase (decrease) in cash and cash equivalents	91,771	88,651	31,582	(79,489)	-	132,515
Cash and cash equivalents, beginning of year	<u>34,054</u>	<u>273,811</u>	<u>155,646</u>	<u>96,956</u>	<u>-</u>	<u>560,467</u>
Cash and cash equivalents, end of year	<u>\$ 125,825</u>	<u>\$ 362,462</u>	<u>\$ 187,228</u>	<u>\$ 17,467</u>	<u>\$ -</u>	<u>\$ 692,982</u>

See accompanying NOTES TO FINANCIAL STATEMENTS

JCFA
NOTES TO COMBINING FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

(1) NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

JCFA (the School) was created as a non-profit corporation under the laws of the State of Louisiana on January 27, 2010. The School applied to the Jefferson Parish School Board to operate a Type I charter school. The Jefferson Parish School Board approved the charter of the School for a period of five years commencing on July 1, 2010, and ending on June 30, 2015. Effective in 2015, the charter was renewed for an additional five years expiring in June 30, 2020. Effective in 2020, the charter was renewed for an additional three years expiring June 30, 2022. The School serves eligible students in eighth through twelfth grade.

On October 19, 2011, the State Board of Elementary and Secondary Education (BESE) approved JCFA as an alternative school. The School is required to renew their status as an alternative school annually.

In December 2012, JCFA applied to BESE to operate a Type II charter school at a second location in Jefferson Parish, referred to as the East Bank Campus. BESE has approved a three-year charter renewal, effective July 1, 2018, and ending June 30, 2021. Effective in 2021, the charter was renewed for an additional three years expiring in June 30, 2024.

In June 2017, JCFA applied to BESE to operate a Type II charter school in Lafayette, Louisiana. BESE approved a four-year contract, effective July 1, 2017, and ending June 30, 2021. BESE approved an additional one-year extension of the charter agreement ending on June 30, 2022.

Basis of Accounting

The combining financial statements of the School have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP).

Basis of Presentation

The financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in its Accounting Standards Codification (ASC) 958-210-50-3, *Financial Statements of Not-for-Profit Organizations*. Under FASB ASC 958-210-50-3, the School is required to report information regarding its financial position and activities according to two classes of net assets:

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 School. The School's board may designate assets without restrictions for specific operational purposes from time to time.

JCFA
NOTES TO FINANCIAL COMBINING STATEMENTS (CONTINUED)
JUNE 30, 2021 AND 2020

(1) NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (continued)

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 School 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. The School had no assets with donor restrictions as of June 30, 2021 and 2020.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the combining statement of cash flows, the School considers all unrestricted cash and other highly liquid investments with original maturities of three months or less to be cash equivalents.

Receivables

Grants, notes, and other receivables are stated at the amount the School expects to collect from outstanding balances. As of June 30, 2021 and 2020, the combining financial statements do not include an estimate for an allowance for doubtful accounts since the School believes all receivables are collectable.

Property and Equipment

Property and equipment are recorded at historical cost or estimated historical cost if historical cost is not available. Betterments that naturally add to the value of related assets or materially extend the useful lives of assets are capitalized. Normal building maintenance and minor equipment purchases are included as expenses of the School. Depreciation is calculated using the straight-line method with useful lives of two to five years.

All assets acquired with the Louisiana Department of Education funds are owned by the School while used in the purpose for which they were acquired. The Louisiana Department of Education, however, has a reversionary interest in these assets. Should the charter not be renewed, any assets purchased with those funds will revert back to the State of Louisiana.

JCFA
NOTES TO FINANCIAL COMBINING STATEMENTS (CONTINUED)
JUNE 30, 2021 AND 2020

(1) NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

The School's primary sources of funding are through the State Public School Fund and federal grants, as well as private donations. Federal grants are recorded on a cost reimbursement basis. An accrual is made when eligible expenses are incurred.

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

The School reports contributions of cash or other assets as restricted support if they are received with donor imposed restrictions or requirements that limit the use of the donation. A donor restriction ends when a time restriction is met or a purpose restriction is accomplished. As restrictions are met, assets are reclassified to net assets without donor restrictions and reported as net assets released from restrictions in the combining statement of activities.

Revenues from federal and state grants are recorded when the School has a right to reimbursement under the related grant, generally corresponding to the incurring of grant related costs by the School, or when otherwise earned under the terms of the grants.

Functional Expenses

The costs of providing the various programs and other activities of the School have been summarized on a functional basis in the combining statements of activities. Directly identifiable expenses are charged to instructional or management and general services of the School. Virtually all expenses are directly attributable to one of these two categories.

Income Tax Status

The School has received a tax-exempt ruling under section 501(c)(3) from the Internal Revenue Service and, accordingly, is not subject to income tax unless it has 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. These standards require an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will not be sustained upon examination. As of June 30, 2021 and 2020, the School believes that it has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. Tax years ended June 30, 2018 and later remain subject to examination by the taxing authorities.

JCFA
NOTES TO FINANCIAL COMBINING STATEMENTS (CONTINUED)
JUNE 30, 2021 AND 2020

(1) NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Accounting Pronouncement

The FASB has issued Update No. 2014-09, “*Revenue from Contracts with Customers.*” The core principle of this Update is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve this core principle, the guidance provides that an entity should apply the following steps: (1) identify the contract(s) with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligations in the contract; and (5) recognize revenue when, or as, the entity satisfies a performance obligation. Deferring the effective date of the amendments in Update No. 2014-09, the FASB has issued Update No. 2015-14, “*Revenue from Contracts with Customers - Deferral of the Effective Date ASU No. 2015-14.*” Update No. 2015-14 permits entities to apply the guidance in Update No. 2014-09 to annual reporting periods beginning after December 15, 2019, and to interim reporting periods within annual reporting periods beginning after December 15, 2020. The FASB further delayed the implementation date by one year through ASU 2020-05 “*Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842).*” Entities may now apply the guidance in Update No. 2016-02 to annual reporting periods beginning after December 15, 2021, and to interim reporting periods within annual reporting periods beginning after December 15, 2022. The School has adopted this standard. The standard did not have a material impact on the School’s revenue recognition policies.

Date of Management Review

Subsequent events have been evaluated through November 10, 2021, which is the date the financial statements were available to be issued.

(2) LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the School’s financial assets as of June 30, 2021 and 2020, available within one year of the statement of financial position date to meet cash needs for general expenditures consisting of the following:

	<u>2021</u>	<u>2020</u>
Cash	\$ 936,175	\$ 692,982
Grants receivable	<u>267,938</u>	<u>360,639</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,204,113</u>	<u>\$ 1,053,621</u>

As part of the School’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

JCFA
NOTES TO FINANCIAL COMBINING STATEMENTS (CONTINUED)
JUNE 30, 2021 AND 2020

(3) GRANTS RECEIVABLES

Grants receivable as of June 30, 2021 and 2020 consist of the following:

	<u>2021</u>	<u>2020</u>
Due from federal government	\$ 267,938	\$ 360,639
Total	<u>\$ 267,938</u>	<u>\$ 360,639</u>

(4) PROPERTY AND EQUIPMENT

Property and equipment consists of the following at June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Computers	\$ 208,791	\$ 208,791
Software	19,101	19,101
Furniture and fixtures	19,826	19,826
Leasehold improvements	111,549	96,606
Vehicles	<u>27,050</u>	<u>-</u>
	386,317	344,324
Less accumulated depreciation	<u>(336,250)</u>	<u>(311,067)</u>
Total	<u>\$ 50,067</u>	<u>\$ 33,257</u>

Depreciation expense for the years ended June 30, 2021 and 2020 was \$25,182 and \$26,669, respectively.

(5) RETIREMENT PLAN

The School provides a 401(k) plan for all regular full-time employees. An employee becomes eligible to participate in the plan on the first day of the month following the date of hire. Contributions to the plan are made by way of pre-tax salary deferrals and are made at the sole discretion of the employee up to the maximum amount allowed by federal law. The School will make a matching contribution equal to two times the amount of the employee contribution up to a maximum of 8%, and all employees are immediately vested. For the year ended June 30, 2021 and 2020, the School recorded retirement contributions in the amount of \$162,020 and \$173,307, respectively.

(6) CONCENTRATIONS OF CREDIT RISK

The School maintains its cash balances in a financial institution. The cash balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At fiscal year end June 30, 2021 and 2020, there were uninsured deposits in the amount of \$686,549 and \$442,982, respectively.

Approximately, 99% of the School's contribution revenue was received from Federal and State grantors for the year ended June 30, 2021 and 2020.

JCFA
NOTES TO FINANCIAL COMBINING STATEMENTS (CONTINUED)
JUNE 30, 2021 AND 2020

(7) LEASE COMMITMENTS

The School entered into a commercial lease agreement for Building A at 475 Manhattan Boulevard, Gretna, Louisiana, under the terms of an operating lease expiring June 30, 2021. The lease was renewed for additional year from July 1, 2021 until June 30, 2022 for an annual rate of \$87,000.

The School entered into a commercial lease agreement to lease buildings at 3410 Jefferson Highway, Jefferson, Louisiana in July 1, 2015 to June 30, 2018 and was extended for additional three years to June 2021. The lease renewed for additional three years starting July 1, 2021 until June 30, 2024 for the monthly rental rate of \$8,333 for the 1st year and \$9,167 for the remaining two years thereafter.

The School entered into a commercial lease agreement for leased buildings at 1415 Teche Street, New Orleans, Louisiana commencing on July 1, 2016 until June 30, 2019. The lease agreement was renewed for additional two years for a monthly rental rate of \$5,417 and expired on June 30, 2021.

The School entered into a commercial lease agreement to lease certain land, building, facilities and improvements at 1501 Ambassador Caffery Parkway, Lafayette, Louisiana in May 2017 and has been extended until June 30, 2021 for a monthly rental rate of \$6,033 starting in April 1, 2020. As of May 2021, the lease has been extended for additional year until June 30, 2022, for a monthly rental price of \$5,000.

The School entered into a commercial lease agreement as of August 15, 2020 for the buildings at 2106 Deerfield Road, Terrytown, Louisiana under the terms of an operating lease expiring December 31, 2020. The lease was renewed on January 1, 2021 until June 30, 2025 for a monthly rental rate \$5,416 until June 30, 2021; \$5,750 from July 1, 2021 until June 30, 2023; and \$6,000 from July, 1, 2023 until June 30, 2025.

For the year ended June 30, 2021 and 2020, total rent expense amounted to \$285,489 \$292,299, respectively.

The future minimum lease payments under the above leases are as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 315,996
2023	179,004
2024	182,004
2025	<u>72,000</u>
Total	<u>\$ 749,004</u>

JCFA
NOTES TO FINANCIAL COMBINING STATEMENTS (CONTINUED)
JUNE 30, 2021 AND 2020

(8) GRANT PROGRAM CONTINGENCIES

The School participates in a number of state and federal grant programs, which are governed by various rules and regulations. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the School has not complied with the rules and regulations governing the grants, refunds of any money received and the collectability of any related receivable as of June 30, 2021 and 2020 might be impaired. In management's opinion, there are no significant contingent liabilities relating to compliance with the rules and regulations governing state and federal grants; therefore, no provision has been recorded in the accompanying combining financial statements for such contingencies. Audits of prior years have not resulted in any significant disallowed costs or refunds. Any costs that would be disallowed would be recognized in the period agreed upon by the grantor agency and the School.

(9) NEW ACCOUNTING PRONOUNCEMENTS

The Financial Accounting Standards Board (FASB) has issued Accounting Standards Update (Update) No. 2020-07, "*Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets.*" This Update seeks to increase transparency of contributed nonfinancial assets for not-for-profit (NFP) entities through enhancements to presentation and disclosure. The amendments in this Update address certain stakeholders' concerns about the lack of transparency about the measurement of contributed nonfinancial assets recognized by NFPs, as well as the amount of those contributions used in an NFP's programs and other activities. This Update will be applied on a retrospective basis and is effective for annual periods beginning after June 15, 2021, and interim periods within annual periods beginning after June 15, 2022. Early adoption is permitted. The School plans to adopt this Update as applicable by the effective date.

The Financial Accounting Standards Board (FASB) has issued Accounting Standards Update (Update) No. 2016-02, "*Leases.*" This Update seeks to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and by disclosing key information about leasing arrangements. Deferring the effective date of Update No. 2016-02, the FASB has issued Update No. 2019-10, "*Financial Instruments-Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Lease (Topic 842).*" Update No. 2019-10 permits entities to apply the guidance in Update No. 2016-02 to annual reporting periods beginning after December 15, 2020, and to interim reporting periods within annual reporting periods beginning after December 15, 2021. The FASB further delayed the implementation date by one year through ASU 2020-05 "*Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842).*" Entities may now apply the guidance in Update No. 2016-02 to annual reporting periods beginning after December 15, 2021, and to interim reporting periods within annual reporting periods beginning after December 15, 2022. The School plans to adopt this Update as applicable by the effective date.

JCFA
NOTES TO FINANCIAL COMBINING STATEMENTS (CONTINUED)
JUNE 30, 2021 AND 2020

(10) RISKS AND UNCERTAINTIES

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S. have declared a state of emergency including the state of Louisiana. It is anticipated that these impacts will continue for some time. The School is operating within social distancing guidelines. However, the future effects of these issues are unknown.

(11) SUBSEQUENT EVENTS

In August 2020, Hurricane Ida made landfall was a Category 4 Atlantic hurricane hitting the Gulf Coast of Louisiana, forcing many to evacuate and has affected the land and businesses in surrounding Greater New Orleans Area. In addition, the State of Louisiana have declared a state of emergency. It is anticipated that these impacts will continue for some time. The School's buildings have been affected materially, but the amount has not been assessed as of the date of this report. Also, the School was affected operationally as student enrollment has decreased as of the October 1, 2021 state reporting deadline. The future effects of these issues on the School are uncertain.

SUPPLEMENTARY INFORMATION

JCFA
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD
FOR THE YEAR ENDED JUNE 30, 2021

	Millie Harris, Executive Director
Time served	07/01/20 through 06/30/21
Salary	\$ 113,934
Benefits - insurance	5,464
Benefits - retirement	9,115
Reimbursements	3,340
Total compensation, benefits, and other payments	\$ 131,853

(See Independent Auditors' Report)

**OTHER REPORTING REQUIRED BY
*GOVERNMENT AUDITING STANDARDS***



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

To the Board of Governance of
JCFA
New Orleans, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the combining financial statements of JCFA (a non-profit corporation), which comprise the combining statement of financial position as of June 30, 2021, and the related combining statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the combining financial statements, and have issued our report thereon dated November 10, 2021.

Internal Control Over Financial Reporting

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

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

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



ERICKSEN KRENTEL^{LLP}

CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

To the Board of Governance of
JCFA
New Orleans, Louisiana

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the JCFA'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 JCFA'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.

November 10, 2021
New Orleans, Louisiana

Ericksen Krentel, LLP
Certified Public Accountants

JCFA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2021

I. SUMMARY OF AUDITORS' REPORTS

1. The auditors' report expresses an unmodified opinion on the combining financial statements of JCFA.
2. No significant deficiencies or material weaknesses in internal control relating to the audit of the combining financial statements are reported in the Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Prepared in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the combining financial statements of JCFA were reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
4. A management letter was not issued for the year ended June 30, 2021.

II. FINDINGS – FINANCIAL STATEMENT AUDIT

There were no findings related to the combining financial statements for the year ended June 30, 2021.

JCFA
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2021

**I. INTERNAL CONTROL AND COMPLIANCE MATERIAL
TO THE FINANCIAL STATEMENTS**

Not applicable

II. MANAGEMENT LETTER

Not applicable

**SCHEDULES REQUIRED BY STATE LAW
(PERFORMANCE STATISTICAL DATA)**



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

To the Board of Governance of
JCFA
New Orleans, Louisiana

We have performed the procedures enumerated below on the performance and statistical data accompanying the annual financial statements of JCFA for the fiscal year ended June 30, 2021; 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 JCFA is responsible for its performance and statistical data.

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

The procedures and associated findings are as follows:

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

1. We selected a sample of 25 transactions, reviewed supporting documentation, and observed that the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:
 - a. Total General Fund Instructional Expenditures,
 - b. Total General Fund Equipment Expenditures,
 - c. Total Local Taxation Revenue,
 - d. Total Local Earnings on Investment in Real Property,
 - e. Total State Revenue in Lieu of Taxes,
 - f. Nonpublic Textbook Revenue,
 - g. Nonpublic Transportation Revenue.

Exceptions: None



To the Board of Governance of
JCFA
New Orleans, Louisiana

Class Size Characteristics (Schedule 2)

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

Exceptions: None

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

3. We obtained October 1st PEP data submitted to the Department of Education (or equivalent listing prepared by management), including full-time teachers, principals, and assistant principals by classification, as well as their level of education and 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.

Exceptions: None

Public School Staff Data: Average Salaries (NO SCHEDULE)

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

Exceptions: None

We were engaged by JCFA 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 JCFA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.



ERICKSEN KRENTEL LLP

CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

To the Board of Governance of
JCFA
New Orleans, Louisiana

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

November 10, 2021
New Orleans, Louisiana

Ericksen Krentel, LLP
Certified Public Accountants

JCFA
GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES AND
CERTAIN LOCAL REVENUE SOURCES
FOR THE YEAR ENDED JUNE 30, 2021

GENERAL FUND INSTRUCTIONAL AND EQUIPMENT EXPENDITURES

	Column A	Column B
General Fund Instructional Expenditures:		
Teacher and Student Interaction Activities:		
Classroom teacher salaries	\$ 815,536	
Other instructional staff salaries	137,378	
Instructional staff employee benefits	245,812	
Purchased professional and technical services	197,123	
Instructional materials and supplies	50,669	
Instructional equipment	-	
Total teacher and students interaction activities		\$ 1,446,518
Other instructional activities		-
Pupil support services	570,496	
Less: Equipment for pupil support services	-	
Net pupil support services		570,496
Instructional staff services	266,315	
Less: Equipment for instructional staff services	-	
Net instructional staff services		266,315
School administration	1,025,342	
Less: equipment for school administration	-	
Net school administration		1,025,342
Total general fund instructional expenditures (total of column B)		\$ 3,308,671
Total General fund equipment expenditures		\$ -
<u>CERTAIN LOCAL REVENUE SOURCES</u>		
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		\$ -

(See Independent Accountants' Report on Applying Agreed-Upon Procedures)

JCFA
CLASS SIZE CHARACTERISTICS
FOR THE YEAR ENDED JUNE 30, 2021
AS OF OCTOBER 1, 2020

	CLASS SIZE RANGE							
	1-20		21-26		27-33		34+	
SCHOOL TYPE:	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary		-		-		-		-
Elementary/Activity Classes		-		-		-		-
Middle/Jr. High		-		-		-		-
Middle/Jr. High Activity Classes		-		-		-		-
High	97%	182	2%	4		-	1%	2
High Activity Classes	91%	21	4%	1		-	4%	1
Combination	-	-	-	-	-	-	-	-
Combination Activity Classes	-	-	-	-	-	-	-	-

Note: The Board of Elementary and Secondary Education has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades K-3 is 26 students and maximum enrollment in grades 4-12 is 33 students. These limits do not apply to activity classes such as physical education, chorus, band, and other classes without maximum enrollment standards. Therefore, these classes are included only as separate line items.