

**Bayou Community Academy, Inc.  
Charter School**

Financial Statements  
and Independent Auditor's Report  
Year Ended June 30, 2025

**Bayou Community Academy, Inc.  
Charter School**

Financial Statements and Independent Auditor's Report  
Year Ended June 30, 2025

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**Bayou Community Academy, Inc.  
Charter School**

Financial Statements and Independent Auditor's Report  
Year Ended June 30, 2025

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Trustees  
Bayou Community Academy, Inc. Charter School  
Thibodaux, Louisiana

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of Bayou Community Academy, Inc. Charter School (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

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

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

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

Management is responsible for the preparation and fair presentation of the 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 financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Bayou Community Academy's ability to continue as a going concern for one year after the date that the financial statements are issued.

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

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

In performing an audit in accordance with GAAS, 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 Bayou Community Academy's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Bayou Community Academy's ability to continue as a going concern for a reasonable period of time.

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

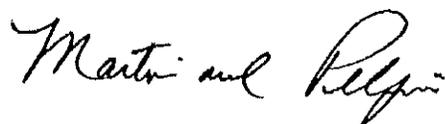
### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Board of Trustees and the Schedule of Compensation, Benefits, and

Other Payments to the Director on pages 18 and 19 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with 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 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 24, 2025 on our consideration of Bayou Community Academy, Inc. Charter School'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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.



Houma, Louisiana  
November 24, 2025

**FINANCIAL STATEMENTS**

**Bayou Community Academy, Inc.  
Charter School**

Statement of Financial Position  
June 30, 2025

**ASSETS**

Current assets:

Cash and cash equivalents	\$ 2,434,213
Investments	8,711,369
Promises to give	60,000
Prepaid expenses	26,006
Utility deposit	13,053

Total current assets 11,244,641

Property and equipment, net of accumulated depreciation  
of \$243,977 22,007,817

Right-of-use operating lease asset, net 215,391

**TOTAL ASSETS** \$ 33,467,849

**LIABILITIES AND NET ASSETS**

Current liabilities:

Accounts payable	\$ 1,270,341
Accounts payable - retainage	970,667
Accrued payroll and employee benefits	195,578
Accrued interest	35,390
Payroll taxes payable	4,566
Deferred revenue	6,440
Deferred compensation	158,426
Compensated absences	28,940
Note payable	8,498,137
Current portion of right-of-use operating lease liability	66,501

Total current liabilities 11,234,986

Right-of-use operating lease liability, net of current portion 148,890

Total liabilities 11,383,876

Net assets:

Without donor restrictions 22,083,973

**TOTAL LIABILITIES AND NET ASSETS** \$ 33,467,849

See accompanying notes.

**Bayou Community Academy, Inc.  
Charter School**

Statement of Activities  
Year Ended June 30, 2025

	<b>Without Donor Restrictions</b>
<b>REVENUE, GRANTS, AND OTHER SUPPORT</b>	
Grants:	
State public school funding	\$ 5,807,248
Other local sources	487,396
State allocations	409,130
Fundraising	224,377
Governmental grant	120,741
Parental payments for food services	109,710
Federal reimbursements for meals	100,740
In-kind donations	26,788
State reimbursements for meals	1,928
<b>TOTAL REVENUE, GRANTS, AND OTHER SUPPORT</b>	<b>7,288,058</b>
<b>EXPENSES</b>	
Program services	
Regular education programs	2,499,240
Special education programs	429,421
Operation and maintenance	429,109
School administration	357,463
Food service operations	261,353
Pupil support services	201,228
Student transportation services	143,825
Special programs	131,830
Non-instructional services	100,515
Instructional staff services	80,988
Other instructional programs	37,815
Central services	24,265
Management and general	
Business services	228,275
General administration	182,004
Fundraising	79,035
<b>TOTAL EXPENSES</b>	<b>5,186,366</b>
<b>INCREASE IN NET ASSETS</b>	<b>2,101,692</b>
<b>OTHER INCREASE IN NET ASSETS</b>	
Investment income	361,418
<b>INCREASE IN NET ASSETS</b>	<b>2,463,110</b>
<b>NET ASSETS, BEGINNING OF PERIOD</b>	<b>19,620,863</b>
<b>NET ASSETS, END OF PERIOD</b>	<b>\$ 22,083,973</b>

See accompanying notes.

**Bayou Community Academy, Inc.  
Charter School**

**Statement of Functional Expenses  
Year Ended June 30, 2025**

	Program Services								
	Regular Education Programs	Special Education Programs	Operation and Maintenance	School Administration	Food Service Operations	Pupil Support Services	Student Transportation Services	Special Programs	Non-instructional Services
Salaries and stipends	\$ 1,636,766	\$ 226,653	\$ 36,008	\$ 251,001	\$ 43,799	\$ 149,088	\$ 51,628	\$ 87,028	\$ -
Retirement	336,391	46,343	7,765	53,877	10,195	31,726	-	18,720	-
Group insurance	251,616	15,698	8,107	39,037	6,822	14,931	-	24,174	-
Materials and supplies	40,107	5,410	22,770	1,648	199,760	1,138	-	515	10,065
Professional services	4,209	131,384	51,459	-	-	-	-	-	-
Property leases	-	-	238,880	-	-	-	-	-	-
Dues and fees	-	-	-	105	-	-	-	-	-
Textbooks/workbooks	113,881	-	-	-	-	-	-	-	-
Student transportation lease	-	-	-	-	-	-	68,400	-	-
Student activities	-	-	-	-	-	-	-	-	53,969
Equipment	45,677	224	150	361	-	-	-	-	-
Insurance	-	-	23,948	-	-	-	9,754	-	-
Payroll taxes	26,264	3,670	590	4,110	777	2,422	866	1,393	-
Utilities	-	-	33,238	-	-	-	-	-	-
Workmen's compensation	23,537	-	-	-	-	-	-	-	-
School activities	-	-	-	-	-	-	-	-	20,875
Travel and gasoline	3,908	39	-	801	-	1,466	13,033	-	-
Depreciation	-	-	-	-	-	-	-	-	-
Booster club	-	-	-	-	-	-	-	-	15,606
Printing and copying	14,131	-	-	-	-	-	-	-	-
Telephone and postage	2,264	-	-	6,523	-	-	-	-	-
Miscellaneous	489	-	5,819	-	-	457	64	-	-
Repairs and maintenance	-	-	375	-	-	-	80	-	-
	<u>\$ 2,499,240</u>	<u>\$ 429,421</u>	<u>\$ 429,109</u>	<u>\$ 357,463</u>	<u>\$ 261,353</u>	<u>\$ 201,228</u>	<u>\$ 143,825</u>	<u>\$ 131,830</u>	<u>\$ 100,515</u>

See accompanying notes.

**Bayou Community Academy, Inc.  
Charter School**

**Statement of Functional Expenses (Cont.)  
Year Ended June 30, 2025**

	Program Services			Management and General			Total
	Instructional Staff Services	Other Instructional Programs	Central Services	Business Services	General Administration	Fundraising	
Salaries and stipends	\$ 62,525	\$ 32,453	\$ -	\$ 164,855	\$ -	\$ -	\$ 2,741,804
Retirement	14,252	2,963	-	32,281	-	-	554,513
Group insurance	114	-	-	5,120	-	-	365,619
Materials and supplies	124	703	-	2,087	2,234	79,035	365,596
Professional services	-	-	21,836	11,606	22,503	-	242,997
Property leases	-	-	-	-	-	-	238,880
Dues and fees	-	-	-	-	122,660	-	122,765
Textbooks/workbooks	2,555	-	-	-	-	-	116,436
Student transportation lease	-	-	-	-	-	-	68,400
Student activities	-	-	-	-	-	-	53,969
Equipment	-	358	-	2,829	-	-	49,599
Insurance	-	-	-	-	15,113	-	48,815
Payroll taxes	1,009	575	-	2,655	-	-	44,331
Utilities	-	-	-	-	-	-	33,238
Workmen's compensation	-	-	-	-	-	-	23,537
School activities	-	-	-	-	-	-	20,875
Travel and gasoline	148	-	-	1,075	-	-	20,470
Depreciation	-	-	-	-	19,144	-	19,144
Booster club	-	-	-	-	-	-	15,606
Printing and copying	-	-	-	-	-	-	14,131
Telephone and postage	-	432	-	4,568	-	-	13,787
Miscellaneous	261	331	2,429	1,199	350	-	11,399
Repairs and maintenance	-	-	-	-	-	-	455
	<u>\$ 80,988</u>	<u>\$ 37,815</u>	<u>\$ 24,265</u>	<u>\$ 228,275</u>	<u>\$ 182,004</u>	<u>\$ 79,035</u>	<u>\$ 5,186,366</u>

See accompanying notes.

**Bayou Community Academy, Inc.  
Charter School**

Statement of Cash Flows  
Year Ended June 30, 2025

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Increase in net assets	\$ 2,463,110
Adjustment to reconcile increase in net assets to net cash flows provided by operating activities:	
Depreciation	19,144
(Increase) decrease in operating assets:	
Promises to give	1,376,885
Other receivable	522
Prepaid expenses	55,508
Utility deposit	(13,053)
Right-of-use lease assets	(123,046)
Increase in operating liabilities:	
Accounts payable	1,229,186
Retainage payable	970,667
Retirement contributions payable	613
Accrued payroll	17,217
Payroll taxes payable	477
Accrued interest	35,390
Deferred revenue	6,440
Deferred compensation	19,927
Compensated absences	3,550
Right-of-use lease liabilities	122,346

**NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES** 6,184,883

**CASH FLOWS FROM INVESTING ACTIVITIES:**

Purchases of property and equipment	(15,220,303)
Purchases of investments, net	<u>(3,129,287)</u>

**NET CASH FLOWS USED IN INVESTING ACTIVITIES** (18,349,590)

**CASH FLOWS PROVIDED BY FINANCING ACTIVITIES:**

Proceeds from note payable	<u>8,498,137</u>
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**NET DECREASE IN CASH AND CASH EQUIVALENTS** (3,666,570)

**BEGINNING CASH AND CASH EQUIVALENTS** 6,100,783

**ENDING CASH AND CASH EQUIVALENTS** \$ 2,434,213

**NON-CASH INVESTING ACTIVITIES:**

Interest cost capitalized as part of construction in progress	<u>\$ 159,308</u>
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See accompanying notes.

**Bayou Community Academy, Inc.**  
**Charter School**

Notes to Financial Statements  
Year Ended June 30, 2025

**Note 1 – Organization and Operations**

Bayou Community Academy, Inc. (the School) was created as a non-profit corporation under the laws of the State of Louisiana on January 29, 2009. The School operates as a Type I charter school under a charter granted by the Lafourche Parish School Board which expires on June 30, 2026. The School serves eligible students in pre-kindergarten through eighth grade.

During the year ended June 30, 2025, the School paid Lafourche Parish School Board an administrative fee representing 2% of the total revenue received under the State Public School – MFP Funding, amounting to \$116,145.

**Note 2 – Summary of Significant Accounting Policies**

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

A. Financial Statement Presentation – The School follows the guidance of the *Not-for-Profit Entities* Topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). The School is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. In addition, the School is required to present statements of functional expenses and cash flows.

Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence and/or nature of any donor restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions upon satisfaction of the donor-imposed time or purpose restrictions. Contributions with donor restrictions, for which the restriction is met in the same year, are classified as net assets without donor restrictions.

B. Basis of Accounting – The financial statements have been prepared on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred, in accordance with accounting principles generally accepted in the United States of America.

C. Cash and Cash Equivalents – For the purpose of the statement of cash flows, the School considers all investments purchased with an original maturity of three months or less to be cash equivalents.

D. Investments – Investments during the year consisted of amounts deposited in the Louisiana Asset Management Pool (LAMP).

E. Revenues – The School's primary source of funding is through the State Public School – MFP Funding.

**Bayou Community Academy, Inc.**  
**Charter School**

Notes to Financial Statements  
Year Ended June 30, 2025

**Note 2 – Summary of Significant Accounting Policies (Cont.)**

- F. Property and Equipment – Property and equipment of the School 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. Depreciation of all exhaustible property and equipment is charged as an expense against operations. Property and equipment reported on the statement of financial position are net of accumulated depreciation. Normal building maintenance and minor equipment purchases are included as expenses of the School. Property and equipment acquisitions are capitalized if the purchase price exceeds \$1,000 and the asset has a useful life greater than one year. Depreciation expense for the year ended June 30, 2025 was \$19,144. Depreciation is calculated using the straight-line method over useful lives of three to fifteen years.
- G. Leases – The School determines if an arrangement is a lease at the inception of the contract. The School's right-of-use assets represent their right to use the underlying assets for the lease term, and the lease liabilities represent their obligation to make lease payments arising from the leases. Right-of-use assets and lease liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. If the lease's implicit interest rate is not readily determinable, the School will use a risk-free rate in lieu of determining the incremental borrowing rate. The School has no financing leases. The School's operating leases are for its school property, administrative office, and buses. Operating leases with a term of twelve months or less are not recorded in the statement of financial position. Leases with a term of one month or less do not meet the definition of a short-term lease.
- H. Income Taxes – The School is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the School's tax-exempt purpose is subject to taxation as unrelated business income. No provision for income taxes has been made as the School had no taxable activities.
- I. 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. Accordingly, actual results could differ from those estimates.
- J. Functional Expenses – The costs of providing the program services and other activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses are allocated on a reasonable basis that is consistently applied.

When possible, expenses are first allocated by direct identification and then by allocation if an expenditure benefits more than one program or function. The expenses that are allocated are done so on the basis of estimates of time and effort. There were no such allocated expenses during the year ended June 30, 2025.

**Bayou Community Academy, Inc.  
Charter School**

Notes to Financial Statements  
Year Ended June 30, 2025

**Note 2 – Summary of Significant Accounting Policies (Cont.)**

K. Recent Accounting Pronouncement – In May 2025, the FASB issued ASU No. 2025-05, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*, which introduces a practical expedient for all entities and an accounting policy election for entities other than public business entities related to applying Subtopic 326-20 to current accounts receivable and current contract assets arising from transactions accounted for under Topic 606. The amendments will be effective for annual reporting periods beginning after December 15, 2025. The effect of implementation on the School's financial statements has not yet been determined.

**Note 3 – Concentrations of Credit Risk**

The School maintained its cash in one financial institution located in Louisiana during the year. The Federal Deposit Insurance Corporation (FDIC) insures the balances up to \$250,000 at this institution. The School's deposits exceeded federally insured limits during the year; however, such excess deposits were collateralized by securities pledged by the bank.

The School received 80% of its revenues in the year ended June 30, 2025 from the State Public School – MFP Funding, subject to its charter school contract.

**Note 4 – Promises to Give**

As of June 30, 2025, promises to give consist of \$60,000 in funding from the Louisiana Department of the Treasury related to playground equipment for student use.

**Note 5 – Deposits and Investments**

The School's investments are limited to funds deposited with Louisiana Asset Management Pool (LAMP). LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government and approved quasi-public entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA – R.S. 33:2955.

GASB Statement No. 40, Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk interest rate risk, and foreign currency risk for all public entity investments.

**Bayou Community Academy, Inc.  
Charter School**

Notes to Financial Statements  
Year Ended June 30, 2025

**Note 5 – Deposits and Investments (Cont.)**

LAMP is an investment pool that, to the extent practical, invests in a manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools:

- Credit risk: LAMP is rated AAAM by Standard & Poor's.
- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.
- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investments is 55 days as of June 30, 2025.
- Foreign currency risk: Not applicable.

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP, and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

Investments in LAMP as of June 30, 2025 amounted to \$8,711,369 and are classified on the Statement of Financial Position as "Investments".

**Note 6 – Fair Values of Financial Instruments**

The School's financial instruments, none of which are held for trading purposes, include cash and cash equivalents, investments, promises to give, accounts payable, and a note payable. Management estimates that the fair value of all financial instruments as of June 30, 2025, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial position.

**Bayou Community Academy, Inc.  
Charter School**

Notes to Financial Statements  
Year Ended June 30, 2025

**Note 7 – Property and Equipment**

A summary of changes in property and equipment follows:

	Balance June 30, 2024	Additions	Retirements	Balance June 30, 2025
Capital assets not being depreciated:				
Land	\$ 509,858	\$ -	\$ -	\$ 509,858
Construction in progress	6,240,286	14,859,474	-	21,099,760
Capital assets being depreciated:				
Computers and peripherals	176,056	5,957	(16,233)	165,780
Computer software	16,128	-	-	16,128
Furniture and equipment	90,568	354,872	-	445,440
Musical instruments	14,828	-	-	14,828
	7,047,724	15,220,303	(16,233)	22,251,794
Less: accumulated depreciation	(241,066)	(19,144)	16,233	(243,977)
Total	\$ 6,806,658	\$15,201,159	\$ -	\$ 22,007,817

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

Construction in progress totaling \$21,099,760 is for the planning and design of the new school campus discussed in Note 15.

**Note 8 – Leases**

The School entered into an administrative office lease agreement with an unrelated party on April 1, 2017. That lease was terminated on June 30, 2025. For the year ended June 30, 2025, operating lease costs for the office totaled \$15,500.

The School entered into a lease agreement from an unrelated party for the building from which it operated. The lease commenced on July 1, 2024 and was for one year, and therefore, is not recorded in the statement of financial position. Rent expense was \$14,462 per month without the cafeteria rental and \$19,986 per month with the cafeteria rental. For the year ended June 30, 2025, the lease cost for the building was \$223,261. Upon the expiration date of June 30, 2025, there was an option to rent on a month-to-month basis for one additional year. The building was rented through July 2025.

The School leases three school buses per school year. These buses are considered right-of-use assets. The previous three-year lease expired on June 30, 2025. The School entered into another lease agreement beginning July 1, 2025. The lease term is for three years and will

**Bayou Community Academy, Inc.  
Charter School**

Notes to Financial Statements  
Year Ended June 30, 2025

**Note 8 – Leases (Cont.)**

expire on June 30, 2028. Rent expense is \$6,700 per month for the three buses. Total right-of-use assets and the lease liability as of June 30, 2025 is \$215,391. For the year ended June 30, 2025, lease costs totaled \$68,400. As of June 30, 2025, the weighted-average discount rate for the operating lease was 7.50%, and the weighted-average remaining lease term was 3 years.

Future minimum lease payments required under this lease in effect as of June 30, 2025 that have an initial or remaining non-cancelable lease term in excess of one year are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 66,501	\$ 13,899	\$ 80,400
2027	71,663	8,737	80,400
2028	77,227	3,173	80,400
	<u>\$ 215,391</u>	<u>\$ 25,809</u>	<u>\$ 241,200</u>

**Note 9 – Deferred Compensation**

For ten-month employees, such as teachers, July 2025 payroll costs are recorded as deferred compensation. These employees earned such compensation by completing their contracts with the School in May or June 2025. While they work for a ten-month period, they get paid over a twelve-month period. The contract period for these employees was August 1, 2024 to May 23, 2025, and the amount of deferred compensation that was recorded is \$158,426.

**Note 10 – Compensated Absences**

Annual leave is to be granted to all 230-240 day employees for the purpose of rehabilitation and restoration of work efficiency. The School has four employees in this category. All 230-240 day employees shall earn such leave based on years of experience. Any unused annual leave at the time of separation (termination of employment or death) shall be paid to the employee or his/her heirs. As of June 30, 2025, compensated absences payable equaled \$28,940.

**Note 11 – State Allocations and Governmental Grant**

During the year ended June 30, 2025, the School recognized state allocations totaling \$409,130 in the form of reimbursements for actual expenses from the Louisiana State Treasurer for the remainder of the construction of the School's gymnasium (\$349,130) and playground equipment (\$60,000) and grant revenue totaling \$120,741 in the form of reimbursements for actual expenses from Lafourche Parish School District through the COVID-related Elementary and Secondary School Emergency Relief (ESSER) Fund.

**Bayou Community Academy, Inc.  
Charter School**

Notes to Financial Statements  
Year Ended June 30, 2025

**Note 12 – In-Kind Contributions**

In-kind contributions represent the estimated fair value of general corporate goods and services provided. Contributed goods are valued at fair market value on the date of the donation. Contributed services are reflected in the financial statements at the fair value of the services received. The contributions of services are recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing those skills that would typically need to be purchased if not provided by donation.

In-kind contributions totaling \$26,788 for the year ended June 30, 2025 included auction and raffle donations related to fundraising activities.

The value of donated volunteer services is not reflected in the accompanying financial statements since they do not meet the recording criteria as per FASB 116. However, a substantial number of volunteers have donated significant amounts of their time in the School's program, administrative, and fundraising activities.

**Note 13 – Retirement Plans**

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

The TRSL provides retirement benefits, as well as, disability and survivor benefits. Twenty years of service credit are required to become vested for retirement benefits, five years of service credit if the employee reaches age sixty, and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The TRSL issues a publicly available financial report for the TRSL. That report may be obtained by writing to the Teachers' Retirement System of Louisiana, P.O. Box 94123, Baton Rouge, LA 70804-9123.

***Funding Policy***

Plan members are required to contribute 8% of their annual covered salary. The School is required to contribute at an actuarially determined rate. During the year ended June 30, 2025, the employer contribution rate was 21.51%. Member contributions and employer contributions for the TRSL are established by state law, and rates are established by the Public Retirement System's Actuarial Committee. The School's contribution to the plan for the year ended June 30, 2025 was \$546,749.

In addition to TRSL, certain employees of the School participate in the Louisiana School Employees' Retirement System (LSERS). The LSERS is a cost-sharing, multiple-employer defined benefit plan, which guarantees a benefit based on age, years of service, and final average compensation at retirement, not on the amount of contributions. LSERS members are non-instructional personnel of the Louisiana public school system. Employees must work more than 20 hours per week to become a member of this system. Twenty years of service or five years of service (if the member is at least age 62) are required to become vested in the system.

**Bayou Community Academy, Inc.  
Charter School**

Notes to Financial Statements  
Year Ended June 30, 2025

**Note 13 – Retirement Plans (Cont.)**

***Funding Policy***

Plan members are required to contribute 8% of their annual covered salary. The School is required to contribute at an actuarially determined rate, which was 25.8% for fiscal year 2024-2025. The School's contribution to the plan for the year ended June 30, 2025 was \$7,764.

**Note 14 – Uncertain Income Taxes**

The School's 2023 tax return was filed appropriately. As of November 2025, the School had not filed its 2024 tax return as the filing due date has been extended to May 15, 2026. The School recognizes interest and penalties, if any, related to unrecognized tax benefits in income tax expense. The School's tax filings are subject to audit by various taxing authorities. The School's open audit period is 2021 to 2024. Management has evaluated the School's tax position and concluded that the School has taken no uncertain tax positions that require adjustment to the financial statements to comply with provisions of this guidance.

**Note 15 – Note Payable**

On September 3, 2019, Bayou Community Academy, Inc. entered into a Contract for Construction and a Standard Form of Agreement with an architect for the construction of a new school campus. Planning and design for the school campus began during the year ended June 30, 2020. The project cost is \$24,987,108, including the cost of land acquired in 2015. On December 11, 2023, \$14,088,198 of the construction costs was financed through a multiple advance loan with a local bank converting to a United States Department of Agriculture loan upon completion. As of June 30, 2025, \$8,498,137 has been advanced to the School. The multiple advance loan has an interest rate of 8.00% and matures on December 11, 2025. The status of the new campus is discussed in Note 17.

**Note 16 – Liquidity and Availability of Financial Assets**

The following reflects the School's financial assets as of June 30, 2025, reduced by any amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions or internal designations.

Current assets	\$ 11,244,641
Less those unavailable for general expenditures within one year:	
Prepaid expenses	(26,006)
Utility deposit	(13,053)
Amounts payable for current portion of right-of-use lease liability	<u>(66,501)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 11,139,081</u></u>

**Bayou Community Academy, Inc.  
Charter School**

Notes to Financial Statements  
Year Ended June 30, 2025

**Note 17 – Subsequent Events**

Subsequent events were evaluated through November 24, 2025, which is the date the financial statements were available to be issued. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements. It was determined that the following event occurred that requires disclosure:

Subsequent to the fiscal year ended June 30, 2025, construction of the School's new campus, which remained in progress at year-end, was substantially completed. The facility was placed into service on July 15, 2025.

**SUPPLEMENTARY INFORMATION**

**Bayou Community Academy, Inc.  
Charter School**

Schedule of Board of Trustees  
Year Ended June 30, 2025

**Board Members**

**Compensation**

Mr. William Crawford 522 Green Street Thibodaux, Louisiana 70301	\$-0-
Mr. Jim Barr 402 West 2 <sup>nd</sup> Street Thibodaux, Louisiana 70301	\$-0-
Mr. Jerad David 504 Ashland Drive Thibodaux, Louisiana 70301	\$-0-
Mr. Hal Callais 800 East 1 <sup>st</sup> Street Thibodaux, Louisiana 70301	\$-0-
Ms. Monique Clark 412 Cavaness Drive Houma, Louisiana 70364	\$-0-
Mr. Nolan Smith 256 Bouverans Circle Lockport, Louisiana 70374	\$-0-
Ms. Shelba Harlan 312 Amis Street Thibodaux, Louisiana 70301	\$-0-
Mr. Danny Baker 141 Towne Way Thibodaux, Louisiana 70301	\$-0-

See independent auditor's report.

**Bayou Community Academy, Inc.  
Charter School**

Schedule of Compensation, Benefits, and Other  
Payments to the Director  
Year Ended June 30, 2025

**Agency Head Name:** Dr. Melanie Becnel, Director

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 115,531
Benefits - retirement	24,851
Benefits - insurance	14,809
Cell phone	898
Dues	805
Registration fees	580
Reimbursements	101

This schedule satisfies the reporting requirements of R.S. 24:513(A)(3).

See independent auditor's report.

**SPECIAL REPORT OF CERTIFIED PUBLIC ACCOUNTANTS**

**Martin  
and  
Pellegrin**

103 Ramey Road  
Houma, Louisiana 70360

*Certified public Accountants  
(A Professional Corporation)*

Ph. (985) 851-3638  
Fax (985) 851-3951

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

To the Board of Trustees  
Bayou Community Academy, Inc.  
Thibodaux, Louisiana

We have audited, 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, the financial statements of Bayou Community Academy, Inc. Charter School (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated November 24, 2025.

**Report on Internal Control Over Financial Reporting**

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

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

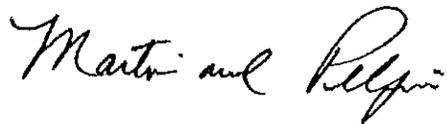
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not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

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

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

## **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School'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 School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Martin and Pelquin".

Houma, Louisiana  
November 24, 2025

**OTHER INFORMATION**

**Bayou Community Academy, Inc.  
Charter School**

Schedule of Findings and Responses  
Year Ended June 30, 2025

**Section I – Summary of Auditor’s Results**

1. The auditor’s report expresses an unmodified opinion on the financial statements of Bayou Community Academy, Inc. Charter School.
2. No deficiencies in internal control were noted during the audit of the financial statements.
3. No instances of noncompliance or other matters material to the financial statements of Bayou Community Academy, Inc. Charter School, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. A management letter was not issued.

**Section II – Financial Statement Findings**

No findings material to the financial statements of Bayou Community Academy, Inc. Charter School were noted during the audit.

**Section III – Internal Control Findings**

No findings related to Bayou Community Academy, Inc. Charter School’s internal control, which would be required to be reported in accordance with *Government Auditing Standards*, were noted during the audit.

**Section IV – Federal Award Findings and Questioned Costs**

This section is not applicable.

**REPORTS BY MANAGEMENT**

**Bayou Community Academy, Inc.  
Charter School**

Schedule of Prior Findings and Resolution Matters  
Year Ended June 30, 2025

Note: All prior findings relate to the June 30, 2024 audit engagement.

**Section I – Internal Control and Compliance Material to the Financial Statements**

This section is not applicable.

**Section II – Internal Control and Compliance Material to Federal Awards**

This section is not applicable.

**Section III – Management Letter**

This section is not applicable.

**Bayou Community Academy, Inc.  
Charter School**

**Management's Corrective Action  
Plan for Current Year Findings  
Year Ended June 30, 2025**

The contact person for all corrective actions noted below is Mrs. Sara Barrilleaux, Business Manager/Chief Financial Officer for Bayou Community Academy, Inc. Charter School.

**Section I – Internal Control and Compliance Material to the Financial Statements**

This section is not applicable.

**Section II – Internal Control and Compliance Material to Federal Awards**

This section is not applicable.

**Section III – Management Letter**

This section is not applicable.

**SCHEDULES REQUIRED BY LOUISIANA STATE LAW**  
**(R.S. 24:514 I – PERFORMANCE AND STATISTICAL DATA)**  
**(UNAUDITED)**

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

To the Board of Trustees, the Louisiana Department of Education,  
and the Louisiana Legislative Auditor  
Bayou Community Academy, Inc. Charter School  
Thibodaux, Louisiana

We have performed the procedures enumerated below, which were agreed to by the management of Bayou Community Academy, Inc. Charter School (the School), the Louisiana Department of Education, and the Louisiana Legislative Auditor (LLA) (the specified parties), on the performance and statistical data accompanying the annual financial statements of the School for the fiscal year ended June 30, 2025 and to determine whether the specified schedules are free of obvious errors and omissions, in compliance with Louisiana Revised Statute 24:514 I. Management of the School is responsible for its performance and statistical data.

The School 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 accounts for each of the categories reported on Schedule 1.

**We noted no exceptions.**

### 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 ten classes to the October 1, 2024 roll books for those classes and observed that the class was properly classified on the schedule.

**We noted no exceptions.**

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

3. We obtained the October 1, 2024 PEP data submitted to the Department of Education, 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.

**We noted no exceptions.**

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

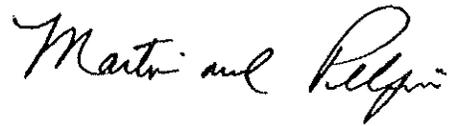
4. We obtained June 30<sup>th</sup> PEP data submitted to the Department of Education of all classroom teachers, including base salary, extra compensation, and ROTC or rehired retiree status, as well as full-time equivalents, and obtained management's representation that the data/listing was complete. 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.

**We noted no exceptions.**

We were engaged by the School 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 School 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 financial statements of the School, as required by Louisiana Revised Statute 24:514 I, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

A handwritten signature in black ink, appearing to read "Martin and Pelquin". The signature is written in a cursive style with a large initial 'M' and 'P'.

Houma, Louisiana  
November 24, 2025

**Bayou Community Academy, Inc. Charter School**  
**Thibodaux, Louisiana**  
 General Fund Instructional and Support Expenditures  
 And Certain Local Revenue Sources  
 Year Ended June 30, 2025

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities		
Classroom Teacher Salaries	\$	1,649,859
Other Instructional Staff Activities		333,039
Instructional Staff Employee Benefits		751,346
Purchased Professional and Technical Services		135,593
Instructional Materials and Supplies		160,616
Instructional Equipment		46,261
		<hr/>
Total Teacher and Student Interaction Activities		3,076,714
Other Instructional Activities		21,595
Pupil Support Services		201,228
Less: Equipment for Pupil Support Services		-
		<hr/>
Net Pupil Support Services		201,228
Instructional Staff Services		80,988
Less: Equipment for Instructional Staff Services		-
		<hr/>
Net Instructional Staff Services		80,988
School Administration		357,463
Less: Equipment for School Administration		(361)
		<hr/>
Net School Administration		357,102
		<hr/>
Total General Fund Instructional Expenditures	\$	3,737,627
		<hr/> <hr/>
Total General Fund Equipment Expenditures	\$	410,430
		<hr/> <hr/>

The remainder of Schedule I is not applicable.

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

**Bayou Community Academy, Inc. Charter School**  
**Thibodaux, Louisiana**  
 Class Size Characteristics  
 As of October 1, 2024

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Combination	15%	3	50%	10	35%	7	0%	0

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

**STATEWIDE AGREED-UPON PROCEDURES**

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

To the Board of Trustees and the  
Louisiana Legislative Auditor  
Bayou Community Academy, Inc. Charter School  
Thibodaux, Louisiana

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. The School's management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated findings are described on pages 32-48.

We were engaged by the School 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 School 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.

*Martin and Pelgri*

Houma, Louisiana  
November 24, 2025

**Bayou Community Academy, Inc. Charter School**  
**Thibodaux, Louisiana**  
Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
Year Ended June 30, 2025

The required procedures and our findings are as follows:

Procedures performed on the School's written policies and procedures:

**Written Policies and Procedures**

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

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

Performance: Obtained and read the written policy for budgeting and found it to contain the requirements included above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Obtained and read the written policy for purchasing and found it to contain the requirements included above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

c) Disbursements, including processing, reviewing, and approving

Performance: Obtained and read the written policy for disbursements and found it to contain the requirements included above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Obtained and read the written policy for receipts and found it to contain the requirements included above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

**Bayou Community Academy, Inc. Charter School  
Thibodaux, Louisiana**

Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
Year Ended June 30, 2025

- 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

Performance: Obtained and read the written policy for payroll and personnel and found it to contain all requirements above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- 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

Performance: Determined that the School adopted the Lafourche Parish School Board's written contracting policy, which includes the above provisions.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Obtained and read the travel and expense reimbursement policy and found it to contain the requirements included above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- 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

Performance: Obtained and read the written policy related to credit cards and found it to contain the requirements above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Determined that the School adopted the Lafourche Parish School Board's written ethics policy, which includes the above provisions.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

**Bayou Community Academy, Inc. Charter School  
Thibodaux, Louisiana**

Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
Year Ended June 30, 2025

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

Not applicable for not-for-profits.

- 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.

Performance: Determined that the School adopted the Lafourche Parish School Board's written information technology disaster recovery/business continuity policy, which includes the above provisions.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- 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.

Not applicable for not-for-profits.

**Board or Finance Committee**

- 2. Obtain and inspect all of 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.

Performance: Determined that the board (with a quorum) and finance committee met on a frequency in accordance with the board's by-laws.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- b) 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.

**Bayou Community Academy, Inc. Charter School  
Thibodaux, Louisiana**

Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
Year Ended June 30, 2025

Performance: Determined whether the minutes referenced or included financial activity relating to public funds and determined that financial statements are provided at board meetings and finance committee meetings.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- c) 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.

Performance: Determined that there were no audit findings in the previous year.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

**Bank Reconciliations**

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

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Bank Reconciliations section in Year 1 (June 30, 2024).

- a) Bank reconciliations include evidence that they were prepared within two months of the related statement closing date;

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Bank Reconciliations section in Year 1 (June 30, 2024).

- 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 one month of the date the reconciliation was prepared; and

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Bank Reconciliations section in Year 1 (June 30, 2024).

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

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Bank Reconciliations section in Year 1 (June 30, 2024).

**Collections (excluding electronic funds transfers)**

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

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Collections section in Year 1 (June 30, 2024).

- 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, obtain and inspect written policies and procedures relating to employee job duties at each collection location, and observe that job duties are properly segregated at each collection location such that:

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Collections section in Year 1 (June 30, 2024).

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

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Collections section in Year 1 (June 30, 2024).

- 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 to the deposit.

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Collections section in Year 1 (June 30, 2024).

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- 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.

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Collections section in Year 1 (June 30, 2024).

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

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Collections section in Year 1 (June 30, 2024).

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

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Collections section in Year 1 (June 30, 2024).

- 7. Randomly select two deposit dates for each of the bank accounts selected for procedure #3 under Bank Reconciliations above. Obtain supporting documentation for each of the deposits and:

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

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Collections section in Year 1 (June 30, 2024).

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

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Collections section in Year 1 (June 30, 2024).

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

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Collections section in Year 1 (June 30, 2024).

- d) Observe that the deposit was made within one business day of receipt at the collection location.

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Collections section in Year 1 (June 30, 2024).

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

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Collections section in Year 1 (June 30, 2024).

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

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

Performance: Obtained a listing of locations that processed payments for the fiscal period from management and received management's representation in a separate letter. Determined that only one location processed payments.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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, 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.

Performance: Obtained a listing of those employees involved with non-payroll purchasing and payment functions along with written policies and procedures for those functions to determine if there was a proper segregation of duties for initiating, approving, and making purchases.

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Exceptions: There were no exceptions noted.  
Management's response: Not applicable.

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

Performance: Obtained a listing of those employees involved with non-payroll purchasing and payment functions along with written policies and procedures for those functions to determine if there was a proper segregation of duties for processing and approving payments to vendors.

Exceptions: There were no exceptions noted.  
Management's response: Not applicable.

- 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.

Performance: Inspected policy manual and inquired of management as to separation of duties related to vendor files.

Exceptions: There were no exceptions noted.  
Management's response: Not applicable.

- 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.

Performance: Inquired of management to determine if the employee responsible for processing payments mails those respective payments.

Exceptions: During the year ended June 30, 2025, an employee mailed checks and processed payments due to a shortage in staff.

Management's response: An additional employee was added to the Business Department to segregate these duties.

- 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.

Performance: Determined whether electronic disbursements were approved by only those employees/officials authorized to sign checks.

Exceptions: There were no exceptions noted.  
Management's response: Not applicable.

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

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Performance: Obtained the completed general ledger for the fiscal period and obtained management's representations in a separate letter. Randomly selected five disbursements using a random number generator for check numbers to test the requirements below.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Determined that the five random disbursements matched their respective original invoices and that the invoices indicate that deliverables were received by the entity.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Determined whether the documentation for the five random disbursements gave evidence of the segregation of duties tested under #9 above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

11. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3, randomly select five non-payroll-related electronic disbursements (or all electronic disbursements if less than five) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds per the entity's policy and (b) approved by the required number of authorized signers per the entity's policy.

Performance: Selected a random month to test since the Bank Reconciliations section did not require testing this year. Determined whether the documentation for the five random electronic disbursements gave evidence of approval by only those persons authorized to disburse funds per the entity's policy and that there were the required number of authorized signers.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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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.

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Credit Cards section in Year 1 (June 30, 2024).

13. Using the listing prepared by management, randomly select five cards 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 were reviewed and approved, in writing, by someone other than the authorized card holder.

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Credit Cards section in Year 1 (June 30, 2024).

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

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Credit Cards section in Year 1 (June 30, 2024).

14. Using the monthly statements or combined statements selected under #13 above, excluding fuel cards, randomly select ten transactions (or all transactions if less than ten) from each statement, and obtain supporting documentation for the transactions. 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.

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Credit Cards section in Year 1 (June 30, 2024).

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

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

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Travel section in Year 1 (June 30, 2024).

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 ([doa.la.gov/doa/ost/ppm/49-travel-guide/](http://doa.la.gov/doa/ost/ppm/49-travel-guide/)) or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Travel section in Year 1 (June 30, 2024).

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

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Travel section in Year 1 (June 30, 2024).

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

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Travel section in Year 1 (June 30, 2024).

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

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Travel section in Year 1 (June 30, 2024).

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**Contracts**

16. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Obtain management's representation that the listing is complete. Randomly select five contracts (or all contracts if less than five) from the listing, excluding the practitioner's contract, and:

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Contracts section in Year 1 (June 30, 2024).

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law, if required by law.

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Contracts section in Year 1 (June 30, 2024).

- b) Observe whether the contract was approved by the governing body/board, if required by policy or law.

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Contracts section in Year 1 (June 30, 2024).

- c) If the contract was amended, observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms.

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Contracts section in Year 1 (June 30, 2024).

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

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Contracts section in Year 1 (June 30, 2024).

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**Payroll and Personnel**

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

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Payroll and Personnel section in Year 1 (June 30, 2024).

18. Randomly select one pay period during the fiscal period. For the five 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.

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Payroll and Personnel section in Year 1 (June 30, 2024).

- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Payroll and Personnel section in Year 1 (June 30, 2024).

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

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Payroll and Personnel section in Year 1 (June 30, 2024).

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

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Payroll and Personnel section in Year 1 (June 30, 2024).

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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, and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity policy on termination payments. Agree the hours to the employees' or officials' cumulative leave records, agree the pay rates to the employees' or officials' authorized pay rates in the employees' or officials' personnel files, and agree the termination payment to entity policy.

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Payroll and Personnel section in Year 1 (June 30, 2024).

20. Obtain management's representation that employer and employee portions of third-party payroll-related amounts have been paid, and any associated forms have been filed, by required deadlines.

Performance: Determined that the procedure is not required to be tested in Year 2 (June 30, 2025) as the audit was submitted on time and there were no exceptions under the Payroll and Personnel section in Year 1 (June 30, 2024).

**Ethics**

21. Using the five randomly selected employees/officials from procedure #17 under Payroll and Personnel, obtain ethics documentation from management, and:

- a) Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period as required by R.S. 42:1170.

Performance: Selected five random employees/officials since the Payroll and Personnel section did not require testing this year. Observed the ethics course completion certificates for the employees/officials tested.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Determined that the School adopted the Lafourche Parish School Board's written ethics policy and determined that there were no changes to the policy during the fiscal period.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Observed that the School has appointed an ethics designee.  
Exceptions: There were no exceptions noted.  
Management's response: Not applicable.

**Debt Service**

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

Performance: Obtained a listing of debt instruments issued during the period and management's representation that the listing is complete. Supporting documentation was reviewed; determined that State Bond Commission approval was not required.  
Exceptions: There were no exceptions noted.  
Management's response: Not applicable.

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.

Performance: Obtained a listing of notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Inspected debt covenants of the one loan and determined that no reserve balance was required.  
Exceptions: There were no exceptions noted.  
Management's response: Not applicable.

**Fraud Notice**

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

Performance: Inquired of management of any misappropriations of public funds or assets and determined that none were noted.

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Exceptions: There were no exceptions noted.  
Management's response: Not applicable.

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.

Performance: Observed such notice posted on the premises and website.  
Exceptions: There were no exceptions noted.  
Management's response: Not applicable.

**Information Technology Disaster Recovery/Business Continuity**

27. Perform the following procedures and verbally discuss 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 entity'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 there is 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 three 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 five computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

28. Randomly select five terminated employees (or all terminated employees if less than five) using the list of terminated employees obtained in Payroll and Personnel procedure #19. Observe evidence that the selected terminated employees have been removed or disabled from the network.

29. Using the five 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.

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Performance: The procedures under the Information Technology Disaster Recovery/Business Continuity section were not required as the Year 1 audit (June 30, 2024) was submitted on time.

**Prevention of Sexual Harassment**

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

While the School does provide sexual harassment training, it is not required for not-for-profits.

31. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website.

Not applicable for not-for-profits.

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

Not applicable for not-for-profits.