

VIRTUAL ACADEMY OF LAFOURCHE, INC.

***AUDITED FINANCIAL STATEMENTS
And AGREED UPON PROCEDURES
REPORTS AND SCHEDULES***

***As of and for the Year Ending
June 30, 2020***

Virtual Academy of Lafourche, Inc.

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STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Virtual Academy of Lafourche, Inc.
639 Harrison Street
Thibodaux, La 70301

Report on the Financial Statements

We have audited the accompanying financial statements of Virtual Academy of Lafourche, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the financial statement as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Virtual Academy of Lafourche, Inc., as of and for the year ended June 30, 2020, and in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The Performance and Statistical Data, included as Schedules 1 and 2 and the Schedule of Compensation, Benefits, and Other Payments to Agency Head are not a required part of the basis financial statements, but is supplementary information required by Louisiana State Law. 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 Schedule of Compensation, Benefits, and Other Payments has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance the auditing standards generally accepted in the United States of America. In our opinion, the schedule of compensation, benefits and other payments to agency head is fairly stated, in all material respects, in relation to the basic financial statements as a whole. We have applied certain limited procedures to the Performance and Statistical Data, included as Schedules 1 and 2, which are described in the Independent Accountant's Report on Applying Agreed-Upon Procedures. However, we did not audit this information and, accordingly, express no opinion on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2020, on our consideration of the internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Virtual Academy of Lafourche, Inc.'s internal control over financial reporting and compliance.

Stagni & Company

Thibodaux, Louisiana
December 1, 2020



Virtual Academy of Lafourche, Inc.
Statement of Financial Position
June 30, 2020

ASSETS

CURRENT ASSETS:

Unrestricted Cash	\$ 889,529
Prepaid Expenses	29,385
Total current assets	918,914

PROPERTY AND EQUIPMENT

Improvements, Furniture & equipment, net	548,382
Total Property and Equipment	548,382

TOTAL ASSETS	\$ 1,467,296
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Accounts Payable	\$ 41,738
Accrued Payroll	38,220
Due to Robotics Program	1,799
Total Current Liabilities	81,757

LONG-TERM LIABILITIES

Due in one year	12,873
Due after one year	-
Total Long-term Liabilities	12,873

TOTAL LIABILITIES	94,630
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NET ASSETS

With donor restrictions	1,799
Without donor restrictions	1,370,867
Total Net Position	1,372,666

TOTAL LIABILITIES AND NET ASSETS	\$ 1,467,296
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See notes to financial statements.

Virtual Academy of Lafourche, Inc.
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2020

SUPPORT AND REVENUES	Unrestricted
State and Local Public School Funding	\$ 4,765,435
Other Revenue	41,085
Total Revenue and Support	<u>4,806,520</u>
EXPENSES	
Program Services:	
Teacher Services	3,270,623
Curriculum and Enrichment	268,823
Training	3,949
Supporting Services:	
Employee Benefits and payroll taxes	398,977
Accounting & Auditing	21,050
Administration Services	94,598
Advertising	2,072
Insurance	40,666
Information Technologies	51,090
Office Expense	52,488
Rent & Lease Expense	279,182
Supplies	9,645
Telephone & Utilities	35,576
Depreciation and Amortization	70,702
Dues & Licenses	2,709
Repairs and maintenance	22,986
Security and babysitting services	23,095
Total Expenses	<u>4,648,231</u>
CHANGE IN NET ASSETS	158,289
NET ASSETS	
Beginning of year	1,214,377
End of year	<u>\$ 1,372,666</u>

See notes to financial statements.

VIRTUAL ACADEMY OF LAFOURCHE, INC.

Statement of Cash Flows
For the Year Ended June 30, 2020

Cash flows from operating activities:	
Change in net assets	\$ 158,289
Adjustments to reconcile increase in net assets to net cash provided by operating activities	
Depreciation	70,702
(Increase) decrease in operating assets:	
Prepaid expenses	785
Increase (decrease) in operating liabilities	
Accounts payable	5,720
Accrued payroll & payroll taxes payable	7,441
Total Adjustments	84,648
Net cash flow provided (used) by operating activities	<u>\$ 242,937</u>
Cash flows from investing activities:	
Purchases of property and equipment	(68,177)
Net cash provided (used) by investing activities	<u>(68,177)</u>
Cash flows from financing activities:	
Payments on long-term debt	(120,000)
Net cash provided (used) by financing activities	<u>(120,000)</u>
Net increase in cash and cash equivalents	<u>54,760</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>834,769</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 889,529</u>

See notes to financial statements.

Virtual Academy of Lafourche, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2020

Note 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

Cash and Cash Equivalents

Cash, which is held in interest bearing accounts, consists of unrestricted balances. Unrestricted cash balances represent cash available for general operating purposes.

For the purposes of the statement of cash flows, the School considers all unrestricted funds and highly liquid investments with an initial maturity of three months or less to be cash and cash equivalents.

Support and Revenue

Lafourche Parish School Board- The school receives an allocation based on the Minimum Foundation Program dollars per child through Lafourche Parish School Board. This amount is allocated per child and is distributed to the School. This amount is offset by certain services provided by the School Board.

Property and Equipment and Depreciation

Property and equipment is 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 is computed under the straight-line method for all depreciable assets over their respective estimated useful lives. Property and equipment is depreciated over a 3-15-year period. 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.

Income Taxes

The Charter School is a nonprofit organization under the State of Louisiana and is exempt from taxation 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 have been made.

Virtual Academy of Lafourche, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2020

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

Budgetary Data

The School formally adopts a budget that is submitted to Lafourche Parish School Board for approval.

Use of Estimates

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

New Accounting Pronouncement

Effective July 1, 2019, the School adopted the requirements of the Financial Accounting Standards Board's (FASB) Accounting Standards Update (ASU) No. 2014-09, "Revenue from Contracts with Customers (Topic 606)". This ASU and all subsequently issued clarifying ASUs replaced most revenue recognition guidance in US GAAP and addresses how an entity should recognize revenue derived from various contracts with customers that generate revenue, along with requiring additional disclosures related to the nature, amount, and timing of revenue and cash flows arising from contracts with customers.

Effective July 1, 2019, the School adopted the requirements of the Financial Accounting Standards Board's (FASB) Accounting Standards Update (ASU) No. 2018-08, Not-for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. The ASU clarifies and improves the guidance for contributions received and contributions made, and provides guidance to organizations on how to account for transactions as contributions or exchange transactions. In addition, it clarifies whether a contribution is conditional.

The adoption of these standards did not result in any changes to beginning net assets at July 1, 2019. Based on the School's evaluation process and review of its grant contracts and contribution award documentation, the timing and amount of revenue recognized previously is consistent with how revenue is recognized under the new standards.

Virtual Academy of Lafourche, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2020

Note 2 CASH

At June 30, 2020, the reported amount in cash was \$889,529 and the bank balance was \$894,123. \$250,000 of the deposits were covered by federal depository insurance.

Custodial credit risk is the risk that in the event of a bank failure, the entity's deposits may not be returned to it. \$644,123 of the bank balance of deposits is exposed to custodial credit risk.

CONCENTRATION OF CREDIT RISK. The School maintains a single bank account. Accounts at the institution insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Deposits at June 30, 2020 exceeded the federally insured limit by \$644,123.

Note 3 FURNITURE, EQUIPMENT, AND LEASEHOLD IMPROVEMENTS

Property and equipment consisted of the following:

	Balance June 30, 2019	Net Additions (Dispositions)	Balance June 30, 2020
Improvements, Furniture & Equipment	\$869,256	\$68,177	\$937,433
Less: Accumulated Depreciation	(318,349)	(70,702)	(389,051)
Total	\$550,907	(\$2,525)	\$548,382

There was \$68,177 of additions or disposals for the year. Depreciation expense for year was \$70,702.

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.

Virtual Academy of Lafourche, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2020

Note 4 FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various program and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among program and supporting services in the accompanying statement of functional expenses.

Note 5 OPERATING LEASES

The School conducts its operations from five facilities (office space and classrooms). These facilities are leased from the following:

- The school leases facilities from the Lafourche Parish School Board for the rental of a building and a portable building to be used for the operation of the school. The lease term is for a three-year lease ending on June 30, 2022. The lease includes monthly payments of \$6,929. The total paid in this fiscal year was \$83,151.
- The school leased facilities from Hoffman's music under a two year, non-cancelable operating lease expiring on April 30, 2021. This lease includes payments of approximately \$2,925 per month for a total paid in this fiscal year of \$35,094.
- The school leased facilities from Nicholls Plaza under a three-year lease expiring on May 31, 2021. This lease includes payments of approximately \$5,250 for a total paid in this fiscal year of \$63,000. The school leased an additional facility under a four-year lease expiring July 31, 2022. The lease includes monthly payments of \$2,500 for a total paid for the fiscal year of \$30,000.
- The school leased facilities from Culver Realty under a four-year lease agreement ending January 31, 2021 with an option to renew and extend the term for five years. This lease includes payments of \$3,300 per month for a total paid in this fiscal year of \$50,252.
- The rents facilities from Sharlene Duet Rental Service (BAL Rentals) under a monthly rental contract beginning July 1, 2019. The payments are for \$3,643 per month for a total paid in this fiscal year of \$43,716.

Virtual Academy of Lafourche, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2020

The following is a schedule of future minimum rental payments required under the above operating leases:

Year Ending, June 30, 2020	Amount
LPSB	\$ 83,151
Hoffmann's Music	\$ 29,245
Culver Realty	\$ 19,800
Nicholls Plaza	<u>\$ 87,750</u>
	\$219,947

Total rental expense charged for the fiscal year was \$270,841.

Note 6 NOTE PAYABLE

The School entered into a note payable in August 2019 for \$242,873 for improvements made to St. Mary Elementary at 509 E. St. Mary Street. The note calls for payments of \$10,000 month until paid off. The balance at June 30, 2020 was \$12,873.

Note 7 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the School's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of a contractual or donor imposed restriction within one year of the statement of financial position date.

Financial assets at June 30, 2020	
Cash	\$889,529
Unavailable for General Expenditures	
Net Assets with donor restrictions	<u>1,799</u>
Financial Assets Available for General Expenditures	\$887,730

Note 8 PER DIEM TO BOARD OF DIRECTORS

During the year ended June 30, 2020, no board members received per diem in his or her capacity as director.

Virtual Academy of Lafourche, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2020

Note 9 CONCENTRATION OF REVENUE SOURCE

The School received 99% of its revenues from the State Public School – MFP Funding, subject to its charter school contract with the Board of Trustees. If the amount of support received should fall below award budgeted levels, Virtual Academy of Lafourche, Inc. operating results could be adversely affected.

Note 10 CONTINGENCIES AND COMMITMENTS

The School is a recipient of funding from Lafourche Parish School Board through the State of Louisiana's Minimum Foundation Program. This funding is governed by various guidelines, regulations, and contractual agreements. The administration of the program and activities funded is under the control and administration of Virtual Academy of Lafourche, Inc. and is subject to audit and/or review by the applicable funding source. Any funds found to be not properly spent in accordance with these terms; conditions and regulations of the funding sources may be subject to recapture.

Note 11 SUBSEQUENT EVENTS REVIEW

Management has evaluated subsequent events through the date that the financial statements (December 1, 2020) were issued and determined that no events occurred that require disclosure.

Pandemic – In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that had and may have a significant impact on the operating activities of the School. The occurrence and extent of such an impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the economy overall, all of which are uncertain.



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors
Virtual Academy of Lafourche, Inc.
Thibodaux, La

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Virtual Academy of Lafourche, Inc. and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of Virtual Academy of Lafourche, Inc. and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE) Bulletin. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

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

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:
 - Total General Fund Instructional Expenditures
 - Total General Fund Equipment Expenditures
 - Total Local Taxation Revenue
 - Total Local Earnings on Investment in Real Property
 - Total State Revenue in Lieu of Taxes
 - Nonpublic Textbook Revenue
 - Nonpublic Transportation Revenue

Finding: Of the 25 transactions pulled all were properly classified.

Finding: No findings.

Class Size Characteristics (Schedule 2):

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

Finding: No findings.

This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the US Comptroller General. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the performance and statistical data. Accordingly, we do not express such an opinion or conclusion. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on the performance and statistical data accompanying the annual financial statements. This report is intended solely for the use of management, Board of Directors, the Louisiana Legislative Auditors, the Louisiana Department of Education, and the Lafourche Parish School Board, 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 Legislative Auditor as a public document.

Stagni & Company

Thibodaux, Louisiana

December 1, 2020



VIRTUAL ACADEMY OF LAFOURCHE, INC.
SCHEDULES REQUIRED BY STATE LAW
(R.S. 24:514-PERFORMANCE AND STATISTICAL DATA)
FOR THE YEAR ENDED JUNE 30, 2020

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

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

Schedule 2- Class Size Characteristics

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students. This data is currently reported to the Legislature in the Annual School Report (AFSR).

VIRTUAL ACADEMY OF LAFOURCHE INC.
GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES AND
AND CERTAIN LOCAL REVENUE SOURCES
For the Year Ended June 30, 2020

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$	-	
Other Instructional Staff Activities	\$	-	
Instructional Staff Employee Benefits	\$	-	
Purchased Professional and Technical Services	\$	268,182.60	
Instructional Materials and Supplies	\$	-	
Instructional Equipment	\$	-	
Total Teacher and Student Interaction Activities		-	\$ 268,182.60

Other Instructional Activities			\$ 2,709.32
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Pupil Support Activities	\$	-	
Less: Equipment for Pupil Support Activities	\$	-	
Net Pupil Support Activities		-	\$ -

Instructional Staff Services	\$	3,366,396.03	
Less: Equipment for Instructional Staff Services	\$	-	
Net Instructional Staff Services		-	\$ 3,366,396.03

School Administration	\$	398,977.10	
Less: Equipment for School Administration	\$	-	
Net School Administration		-	\$ 398,977.10

Total General Fund Instructional Expenditures (Total of Column B)			\$ 4,036,265.05
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Total General Fund Equipment Expenditures (Object 730; Function Series 1000-4000)	\$	-	
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Certain Local Revenue Sources

Local Taxation Revenue:

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

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	\$	-	
Earnings from Other Real Property	\$	-	
Total Local Earnings on Investment in Real Property		-	

State Revenue in Lieu of Taxes:

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

Nonpublic Textbook Revenue	\$	-	
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Nonpublic Transportation Revenue	\$	-	
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See independent accountant's report on applying agreed upon procedures.

VIRTUAL ACADEMY OF LAFOURCHE, INC.
Class Size Characteristics
As of October 1, 2019

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary								
Elementary Activity Classes								
Middle/Jr. High								
Middle/Jr. High Activity Classes								
High								
High Activity Classes								
Combination	64%	69	5%	5	6%	7	25%	27
Combination Activity Classes								

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

Virtual Academy of Lafourche, Inc.
 Schedule of Compensation, Benefits and Other Payments to Agency Head
 For the Year Ended June 30, 2020

Agency Head Name: Julie Bourgeois, Director

Purpose	Amount
Salary	\$90,772
Benefits - FICA & Medicare	\$6,944
Car Allowance	\$0
Vehicle provided by government	\$0
Per Diem	\$0
Reimbursements	\$0
Travel	\$0
Registration fees	\$0
Conference travel	\$0
Continuing professional education fees	\$0
Housing	\$0
Unvouchered expenses	\$0
Special meals	\$0
Fuel	\$0
Dues	\$0
Cell Phone	\$0
Other	\$0
Total	\$97,716



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

**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 Board of Directors
Virtual Academy of Lafourche, Inc.

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 Virtual Academy of Lafourche, Inc. (non-profit organization) which comprise the statement of financial position as of June 30, 2020, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements as listed in the table of contents, and have issued our report thereon dated December 1, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, we do not express an opinion on the effectiveness of 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 combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about Virtual Academy of Lafourche, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of management, the Board of Directors, the State of Louisiana, the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Stagni & Company

Thibodaux, Louisiana
December 1, 2020

