

GLENCOE EDUCATION FOUNDATION, INC.
Franklin, Louisiana

Financial Report

Years Ended June 30, 2025 and 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Glencoe Education Foundation, Inc.
Franklin, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Glencoe Education Foundation, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Glencoe Education Foundation, Inc. (the Foundation) as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

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 the Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation'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 the Foundation'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 accompanying schedule of compensation, benefits, and other payments to agency head and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic 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 basic 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 schedule of compensation, benefits, and other payments to agency head and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the financial statements as a whole.

The schedule of the governing board and the schedule of insurance in force have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2025, on our consideration of the Foundation'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 the Foundation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control over financial reporting and compliance.

Darnall, Sikes & Frederick
(A Corporation of Certified Public Accountants)

Lafayette, Louisiana
December 19, 2025

FINANCIAL STATEMENTS

GLENCOE EDUCATION FOUNDATION, INC.

Statements of Financial Position
June 30, 2025 and 2024

| | 2025 | 2024 |
|---|-----------------------------|----------------------------|
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash | \$ 6,122,658 | \$ 4,555,966 |
| Certificates of deposit | 18,842 | 17,970 |
| Grants receivable | 111,027 | 226,058 |
| Other receivables | 1,584 | 2,183 |
| Prepaid items | <u>36,442</u> | <u>41,893</u> |
| Total current assets | 6,290,553 | 4,844,070 |
| PROPERTY AND EQUIPMENT, NET | 3,501,354 | 3,393,174 |
| OPERATING LEASE RIGHT-OF-USE ASSET | 689,120 | 695,876 |
| OTHER ASSETS | | |
| Assets restricted to payment of long-term debt: | | |
| Cash and certificates of deposit | <u>99,924</u> | <u>99,924</u> |
| TOTAL ASSETS | <u><u>\$ 10,580,951</u></u> | <u><u>\$ 9,033,044</u></u> |
| LIABILITIES AND NET ASSETS | | |
| CURRENT LIABILITIES | | |
| Accounts payable | \$ 48,282 | \$ 52,013 |
| Accrued salaries payable | 390,155 | 390,187 |
| Other accrued liabilities | 196,630 | 194,839 |
| Accrued compensated absences payable | 55,430 | 41,697 |
| Current portion of operating lease liabilities | 6,942 | 6,756 |
| Current portion of long-term debt | <u>63,726</u> | <u>61,123</u> |
| Total current liabilities | 761,165 | 746,615 |
| LONG-TERM LIABILITIES | | |
| Long-term debt, net of current portion | 784,813 | 848,544 |
| Operating lease liabilities, net of current portion | <u>682,178</u> | <u>689,120</u> |
| Total long-term liabilities | <u><u>1,466,991</u></u> | <u><u>1,537,664</u></u> |
| Total liabilities | 2,228,156 | 2,284,279 |
| NET ASSETS | | |
| Without donor restrictions | | |
| Available for operations | 5,636,794 | 4,224,819 |
| Invested in property and equipment, net of related debt | <u>2,652,815</u> | <u>2,483,507</u> |
| | 8,289,609 | 6,708,326 |
| With donor restrictions | <u>63,186</u> | <u>40,439</u> |
| Total net assets | <u><u>8,352,795</u></u> | <u><u>6,748,765</u></u> |
| TOTAL LIABILITIES AND NET ASSETS | <u><u>\$ 10,580,951</u></u> | <u><u>\$ 9,033,044</u></u> |

The accompanying notes are an integral part of this statement.

GLENCOE EDUCATION FOUNDATION, INC.

Statements of Activities
Years Ended June 30, 2025 and 2024

| | 2025 | 2024 |
|---|-------------------------|-------------------------|
| NET ASSETS WITHOUT DONOR RESTRICTIONS | | |
| REVENUES AND SUPPORT | | |
| Minimum Foundation Program | \$ 5,971,057 | \$ 5,516,367 |
| Food services | 17,035 | 16,902 |
| Tuition | 25,150 | 57,600 |
| Activity fees | 75,218 | 62,325 |
| Product and supplies sales | 23,696 | 20,147 |
| Contributions | 20 | 1,530 |
| Fundraising | 45,804 | 42,185 |
| Miscellaneous | 68,465 | 24,054 |
| Gain on disposal of assets | - | 600 |
| Interest income | 60,345 | 45,384 |
| Total revenues and support without donor restrictions | <u>6,286,790</u> | <u>5,787,094</u> |
| Net assets released from donor restrictions | <u>1,607,990</u> | <u>1,482,354</u> |
| TOTAL REVENUES, SUPPORT AND OTHER SUPPORT WITHOUT DONOR RESTRICTIONS | 7,894,780 | 7,269,448 |
| EXPENSES | | |
| Instruction: | | |
| Regular programs | 3,092,889 | 2,871,130 |
| Special education | 333,567 | 235,765 |
| Special programs | 235,115 | 229,989 |
| Career and technical education | 103,616 | 174,272 |
| Support services: | | |
| Pupil support | 235,980 | 270,838 |
| Instructional staff | 102,411 | 97,601 |
| General administration | 71,868 | 65,396 |
| School administration | 541,666 | 433,149 |
| Business services | 222,730 | 208,867 |
| Plant services | 414,974 | 370,215 |
| Student transportation services | 218,248 | 255,647 |
| Central services | 55,681 | 53,181 |
| Non-instructional: | | |
| Food services | 453,392 | 397,709 |
| Facilities acquisition and construction | - | 6,186 |
| Debt service: | | |
| Interest and bank charges | 38,796 | 41,689 |
| Depreciation | <u>233,003</u> | <u>218,454</u> |
| TOTAL EXPENSES | <u>6,353,936</u> | <u>5,930,088</u> |
| Increase in net assets without donor restrictions | <u>1,540,844</u> | <u>1,339,360</u> |

The accompanying notes are an integral part of this statement.

| | <u>2025</u> | <u>2024</u> |
|---|----------------------------|----------------------------|
| NET ASSETS WITH DONOR RESTRICTIONS | | |
| REVENUES AND SUPPORT | | |
| Federal grants: | | |
| Rural Education Achievement Program | 25,704 | 13,678 |
| IDEA - Part B | 96,924 | 94,708 |
| National School Lunch Program | 395,754 | 433,511 |
| Elementary and Secondary School Emergency Relief (ESSERF) | 530,171 | 443,684 |
| Title I Grants to Local Educational Agencies | 239,391 | 225,757 |
| Title II Supporting Effective Instruction State Grants | 18,433 | 34,855 |
| Title IV Safe and Drug Free Schools | 8,841 | 3,896 |
| Other | - | 2,404 |
| State grants: | | |
| Pre-K | 109,926 | 132,804 |
| Certificated and Support Staff Stipends | 121,091 | 109,413 |
| Louisiana Center for Safe Schools | 48,500 | - |
| Computer Science Technology Assistance Grant | 32,682 | - |
| Other | <u>43,759</u> | <u>28,083</u> |
| TOTAL REVENUES AND SUPPORT | | |
| WITH DONOR RESTRICTIONS | 1,671,176 | 1,522,793 |
| Net assets released from donor restrictions | <u>(1,607,990)</u> | <u>(1,482,354)</u> |
| Change in net assets with donor restrictions | <u>63,186</u> | <u>40,439</u> |
| CHANGE IN NET ASSETS | | |
| | 1,604,030 | 1,379,799 |
| NET ASSETS AT BEGINNING OF YEAR | <u>6,748,765</u> | <u>5,368,966</u> |
| NET ASSETS AT END OF YEAR | <u>\$ 8,352,795</u> | <u>\$ 6,748,765</u> |

The accompanying notes are an integral part of this statement.

GLENCOE EDUCATION FOUNDATION, INC.

Statements of Functional Expenses
Years Ended June 30, 2025 and 2024

| | Instruction | | | | Support Services | | | |
|--------------------------|---------------------|-------------------|-------------------|--------------------------------|-------------------|---------------------|------------------------|-----------------------|
| | Regular Programs | Special Education | Special Programs | Career and Technical Education | Pupil Support | Instructional Staff | General Administration | School Administration |
| 2025 | | | | | | | | |
| Salary | \$ 2,033,896 | \$ 234,782 | \$ 168,022 | \$ 11,210 | \$ 130,248 | \$ 68,087 | \$ - | \$ 360,864 |
| Employee benefits | 704,860 | 92,554 | 63,006 | 1,967 | 23,886 | 21,885 | - | 121,504 |
| Professional services | 30,961 | - | 3,450 | 1,000 | 77,845 | - | 46,172 | - |
| Insurance | 7,277 | 556 | 327 | - | 2,167 | - | 21,652 | 1,535 |
| Repairs and maintenance | 1,875 | 1,160 | - | - | - | - | 1,769 | - |
| Energy | - | - | - | - | - | - | - | - |
| Telephone/postage | 113,300 | 1,220 | - | 5,131 | 287 | 4,506 | - | 12,240 |
| Disposal services | - | - | - | - | - | - | - | - |
| Rental of land/equipment | - | - | - | 1,955 | - | - | - | 7,918 |
| Travel | 12,145 | 201 | - | 4,954 | 126 | - | - | 434 |
| Materials and supplies | 168,610 | 3,094 | 310 | 50,200 | 1,421 | 7,933 | 188 | 15,669 |
| Food | - | - | - | - | - | - | - | - |
| Miscellaneous | 19,965 | - | - | 27,199 | - | - | 2,087 | 21,502 |
| Interest | - | - | - | - | - | - | - | - |
| Depreciation | - | - | - | - | - | - | - | - |
| | <u>\$ 3,092,889</u> | <u>\$ 333,567</u> | <u>\$ 235,115</u> | <u>\$ 103,616</u> | <u>\$ 235,980</u> | <u>\$ 102,411</u> | <u>\$ 71,868</u> | <u>\$ 541,666</u> |
| 2024 | | | | | | | | |
| Salary | \$ 1,948,047 | \$ 160,229 | \$ 176,269 | \$ 73,363 | \$ 39,923 | \$ 62,574 | \$ - | \$ 263,545 |
| Employee benefits | 676,373 | 73,077 | 53,170 | 28,286 | 2,440 | 22,478 | - | 87,246 |
| Professional services | 14,700 | - | - | 140 | 221,139 | - | 48,867 | - |
| Insurance | 7,506 | 271 | 550 | - | 2,043 | - | 15,970 | 889 |
| Repairs and maintenance | - | - | - | - | - | - | - | 230 |
| Energy | - | - | - | - | - | - | - | - |
| Telephone/postage | 5,619 | - | - | 2,476 | 87 | 4,389 | - | 29,710 |
| Disposal services | - | - | - | - | - | - | - | - |
| Rental of land/equipment | - | - | - | - | - | - | - | 7,142 |
| Travel | 17,317 | - | - | 7,427 | 120 | - | 133 | 544 |
| Materials and supplies | 122,095 | 992 | - | 34,591 | 5,086 | 8,160 | - | 14,656 |
| Food | - | - | - | - | - | - | - | - |
| Miscellaneous | 79,473 | 1,196 | - | 27,989 | - | - | 426 | 29,187 |
| Interest | - | - | - | - | - | - | - | - |
| Depreciation | - | - | - | - | - | - | - | - |
| | <u>\$ 2,871,130</u> | <u>\$ 235,765</u> | <u>\$ 229,989</u> | <u>\$ 174,272</u> | <u>\$ 270,838</u> | <u>\$ 97,601</u> | <u>\$ 65,396</u> | <u>\$ 433,149</u> |

The accompanying notes are an integral part of this statement.

| Business Services | Support Services (continued) | | | | Non-instructional | | | | | Total | |
|-------------------|------------------------------|---------------------------------|------------------|-------------------|-------------------|---|-------------------|--------------|---------------------|-----------|--|
| | Plant Services | Student Transportation Services | | Central Services | Food Services | Facilities Acquisition and Construction | | Debt Service | Depreciation | | |
| | | | | | | | | | | | |
| \$ 160,058 | \$ 77,689 | \$ 120,986 | \$ 36,392 | \$ 156,223 | \$ - | \$ - | \$ - | \$ - | \$ 3,558,457 | | |
| 49,301 | 29,730 | 8,645 | 16,894 | 46,984 | | | | | | 1,181,216 | |
| 5,815 | 3,905 | 38 | - | - | | | | | | 169,186 | |
| - | 97,366 | 29,470 | - | 3,554 | | | | | | 163,904 | |
| - | 55,667 | 31,313 | - | 16,686 | | | | | | 108,470 | |
| - | 62,381 | 24,946 | - | - | | | | | | 87,327 | |
| 473 | 1,272 | - | 2,395 | 3,695 | | | | | | 144,519 | |
| - | 13,115 | - | - | 17,012 | | | | | | 30,127 | |
| - | 25,200 | - | - | 4,200 | | | | | | 39,273 | |
| 567 | - | 24 | - | 1,423 | | | | | | 19,874 | |
| 5,809 | 48,649 | 580 | - | 20,581 | | | | | | 323,044 | |
| - | - | - | - | 181,925 | | | | | | 181,925 | |
| 707 | - | 2,246 | - | 1,109 | | | | | | 74,815 | |
| - | - | - | - | - | | | 38,796 | | | 38,796 | |
| - | - | - | - | - | | | | | | 233,003 | |
| \$ 222,730 | \$ 414,974 | \$ 218,248 | \$ 55,681 | \$ 453,392 | \$ - | \$ 38,796 | \$ 233,003 | \$ - | \$ 6,353,936 | | |
| | | | | | | | | | | | |
| \$ 140,455 | \$ 69,415 | \$ 119,559 | \$ 33,846 | \$ 124,741 | \$ - | \$ - | \$ - | \$ - | \$ 3,211,966 | | |
| 49,615 | 26,911 | 8,408 | 15,563 | 38,669 | | | | | | 1,082,236 | |
| 6,577 | 3,581 | 213 | - | - | 5,986 | | | | | 301,203 | |
| 4,308 | 87,649 | 29,757 | - | 3,372 | | | | | | 152,315 | |
| - | 52,987 | 61,457 | - | 6,813 | | | | | | 121,487 | |
| - | 63,698 | 34,813 | - | - | | | | | | 98,511 | |
| 3,212 | - | - | 3,616 | 1,590 | | | | | | 50,699 | |
| - | 12,364 | - | - | 14,202 | | | | | | 26,566 | |
| - | 24,301 | - | - | 4,200 | | | | | | 35,643 | |
| 1,090 | - | 504 | 156 | 430 | | | | | | 27,721 | |
| 1,935 | 28,541 | 661 | - | 20,657 | | | | | | 237,374 | |
| - | - | - | - | 181,884 | | | | | | 181,884 | |
| 1,675 | 768 | 275 | - | 1,151 | 200 | | | | | 142,340 | |
| - | - | - | - | - | | 41,689 | | | | 41,689 | |
| - | - | - | - | - | | | 218,454 | | | 218,454 | |
| \$ 208,867 | \$ 370,215 | \$ 255,647 | \$ 53,181 | \$ 397,709 | \$ 6,186 | \$ 41,689 | \$ 218,454 | \$ - | \$ 5,930,088 | | |

The accompanying notes are an integral part of this statement.

GLENCOE EDUCATION FOUNDATION, INC.

Statements of Cash Flows
Years Ended June 30, 2025 and 2024

| | 2025 | 2024 |
|--|----------------------------|----------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Change in net assets | \$ 1,604,030 | \$ 1,379,799 |
| Adjustments to reconcile change in net assets | | |
| to net cash provided by operating activities: | | |
| Depreciation | 233,003 | 218,454 |
| Gain on disposal of assets | - | (600) |
| (AIncrease) decrease in- | | |
| Certificates of deposit | (872) | (179) |
| Grants receivable | 115,031 | 75,463 |
| Other receivables | 599 | (248) |
| Prepaid expenses | 5,451 | 25,218 |
| Operating lease right-of-use assets | 6,756 | 666,835 |
| Increase (decrease) in - | | |
| Accounts payable | (3,731) | 5,671 |
| Accrued salaries payable | (32) | 21,897 |
| Other accrued liabilities | 1,791 | 172,557 |
| Accrued compensated absences | 13,733 | (18,530) |
| Operating lease liabilities | (6,756) | (666,835) |
| Net cash provided by operating activities | <u>1,969,003</u> | <u>1,879,502</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property and equipment | (190,730) | (229,892) |
| Additions to construction in progress | (150,453) | (117,500) |
| Proceeds from the sale of property and equipment | <u>-</u> | <u>600</u> |
| Net cash used by investing activities | <u>(341,183)</u> | <u>(346,792)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Principal payments on long-term debt | <u>(61,128)</u> | <u>(58,635)</u> |
| Net cash used by financing activities | <u>(61,128)</u> | <u>(58,635)</u> |
| Net increase in cash | 1,566,692 | 1,474,075 |
| Cash at beginning of year | <u>4,655,890</u> | <u>3,181,815</u> |
| Cash at end of year | <u><u>\$ 6,222,582</u></u> | <u><u>\$ 4,655,890</u></u> |
| SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION: | | |
| Cash paid during the year for: | | |
| Interest | <u><u>\$ 38,796</u></u> | <u><u>\$ 40,890</u></u> |
| Reconciliation of cash per the statements of cash flows to the statements of financial position: | | |
| Cash at beginning of year: | | |
| Cash | \$ 4,555,966 | \$ 3,081,891 |
| Restricted cash | <u>99,924</u> | <u>99,924</u> |
| Total cash at beginning of year | <u>4,655,890</u> | <u>3,181,815</u> |
| Cash at end of year: | | |
| Cash | \$ 6,122,658 | \$ 4,555,966 |
| Restricted cash | <u>99,924</u> | <u>99,924</u> |
| Total cash at end of year | <u>6,222,582</u> | <u>4,655,890</u> |
| Net increase in cash | <u><u>\$ 1,566,692</u></u> | <u><u>\$ 1,474,075</u></u> |

The accompanying notes are an integral part of this statement.

GLENCOE EDUCATION FOUNDATION, INC.
Franklin, Louisiana

Notes to the Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Glencoe Education Foundation, Inc. (the Foundation) was founded in 1999 as a nonprofit organization incorporated under the laws of the State of Louisiana. The Foundation is dedicated to providing for and maintaining an optimum learning environment in which all enrolled children are afforded the opportunity to achieve, attain goals and excel as students and as individual citizens of the world. The focus of instruction is child-centered with curricula designed to meet the educational, social, physical, and emotional needs of each learner as a whole person. The Foundation operates Glencoe Charter School, which is an approved Type 2 charter school under Louisiana Revised Statute 17:3991. The school's operations are located in Franklin, Louisiana. Open student enrollment began in August 1999. During its first year of operations (fiscal year ended June 30, 2000), the school had grades kindergarten through fifth. It has since expanded to add a Pre-k program and grades sixth through twelfth. The Foundation is governed by a board of directors and managed by a director.

Income Tax Exemption

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

Basis of Accounting

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

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

GLENCOE EDUCATION FOUNDATION, INC.
Franklin, Louisiana

Notes to the Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Continued)

Net Assets with Donor Restrictions - Net assets with donor restrictions are resources that are subject to donor-imposed or grantor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature, such as those that are restricted by a donor that the resources be maintained in perpetuity. The Foundation had net assets restricted by donors in the amounts of \$63,186 and \$40,439 June 30, 2025 and 2024, respectively. Restricted amounts represent grant funding to be used for future expenditures.

Revenue Recognition

On May 28, 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers (Topic 606). The standard prescribes a single model for revenue recognition, with a set of principles to be used for determining when revenue should be recognized. It also requires expanded disclosures about the nature, amount, and timing of revenue and cash flows. This standard was effective beginning January 1, 2019.

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

Tuition

Revenues from tuition and fees are recognized in the year in which they are earned. Tuition and fees collected in the current year that apply to the subsequent year are deferred.

Transaction price – The transaction price of Pre-k tuition revenue is based on a fixed fee schedule based on the student's parents' gross income and family size.

Performance obligations – The Foundation allows students to attend Glencoe Charter School to obtain their education.

Tuition revenue is recognized over the time in which the performance obligations are met. Performance obligations are met monthly as the school year progresses. All contracts for tuition revenue are consistent with the school's fiscal year, and do not span multiple years. Contracts are entered into with the student's guardians. These contracts are legally binding and enforceable.

GLENCOE EDUCATION FOUNDATION, INC.
Franklin, Louisiana

Notes to the Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue With and Without Donor Restrictions

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

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

Receivables

Receivables are carried at cost less an allowance for credit losses. Based on the payment nature of the receivables, management considers all amounts to be collectible; therefore no allowance was considered necessary as of June 30, 2025.

Allowance for Credit Losses

An allowance for credit losses is an estimate based upon historical account write-off trends, facts about the current financial condition of the debtor, forecasts of future operating results based upon current trends and macroeconomic factors. Credit quality is monitored through the timing of payments compared to payment terms and known facts regarding the financial condition of debtors. Accounts receivable balances are charged off against the allowance for credit losses after recovery efforts have ceased.

Functional Allocation of Expenses

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

Donated Services

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

GLENCOE EDUCATION FOUNDATION, INC.
Franklin, Louisiana

Notes to the Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

All capital assets are capitalized that have a cost or estimated cost of \$5,000 or more. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Depreciation is computed using the straight-line method at rates based on the following estimated useful lives:

| | Years |
|----------------------------|---------|
| Transportation equipment | 5 |
| Furniture and equipment | 5 - 20 |
| Buildings and improvements | 15 - 40 |

Expenses for additions, major renewals, and betterments are capitalized. Expenses for maintenance and repairs are charged to expense as incurred.

Compensated Absences

All twelve-month employees earn vacation leave each year based on years of experience. After one year, 10 days are earned; after four years, 11 days are earned; after five years, 13 days are earned; after ten years, 15 days are earned; after fifteen years, 17 days are earned; and after twenty years, 19 days are earned. A maximum of 10 days can be carried to the next year. Upon discharge or final retirement, all unused and/or accrued vacation leave is paid to the employee at the employee's current rate of pay.

Nine-month employees earn 10 days of sick leave each year. Ten-month employees earn 11 days of sick leave each year. Eleven-month employees earn 12 days of sick leave each year. Twelve-month employees earn sick leave based on the number of years of full-time employment with the Foundation. After one year, 12 days are earned; after four years, 15 days are earned; and after ten years, 18 days are earned. Sick leave may be accumulated. No sick leave is paid upon resignation. Upon retirement or death, unused accumulated sick leave of up to 25 days is paid to the employee or the employee's estate at the employee's current rate of pay.

Under the Teachers' Retirement System of Louisiana and the Louisiana School Employees' Retirement System, all unpaid sick leave, which excludes the 25 days paid, is used in the retirement benefit computation as earned service.

In accordance with the provisions of FASB ASC 710, *Compensation – General*, no liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

GLENCOE EDUCATION FOUNDATION, INC.
Franklin, Louisiana

Notes to the Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Foundation considers all highly-liquid investments to be cash equivalents. The Foundation did not have any cash equivalents at June 30, 2025 and 2024.

Inventory

Inventory consists of commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture. The commodities are recorded as revenues when received; however, all inventories are recorded as expenses when consumed. Values are assigned based on information provided by the United States Department of Agriculture.

Advertising Costs

Advertising costs are expensed as incurred. Total advertising expense was \$744 and \$881 for the fiscal years ended June 30, 2025 and 2024, respectively, and are included in Miscellaneous on the Statements of Functional Expenses.

Use of Estimates

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

Fair Value of Financial Instruments

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

GLENCOE EDUCATION FOUNDATION, INC.
Franklin, Louisiana

Notes to the Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

The Foundation leases certain real property. The determination of whether an arrangement is a lease is made at the lease's inception. Under ASC 842, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed.

Operating leases are included in operating lease right-of-use ("ROU") assets, current portion of operating lease liabilities, and long-term portion of operating lease liabilities in the Foundation's statements of financial position.

ROU assets represent the Foundation's right to use an underlying asset for the lease term, and lease liabilities represent the Foundation's obligation to make lease payments. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The Foundation uses the implicit rate when it is readily determinable. Since the Foundation's lease does not provide an implicit rate, to determine the present value of lease payments, management uses the Foundation's incremental borrowing rate based on the information available at lease commencement. Operating lease ROU assets also includes any lease payments made and excludes any lease incentives. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Foundation's lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise the option.

Subsequent Events

Subsequent events were evaluated through December 19, 2025, which is the date the financial statements were available to be issued.

NOTE 2 CASH AND CERTIFICATES OF DEPOSIT

The Foundation may invest in United States bonds, notes, or bills as well as certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2025, the Foundation had cash and interest-bearing deposits (book balances) totaling \$6,222,582.

GLENCOE EDUCATION FOUNDATION, INC.
Franklin, Louisiana

Notes to the Financial Statements

NOTE 2 CASH AND CERTIFICATES OF DEPOSIT (CONTINUED)

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Foundation's deposits may not be returned to it. The Foundation maintains cash balances at two financial institutions. Accounts are insured by the Federal Deposit Insurance Corporation (FDIC insured) and the Securities Investor Protection Corporation (SIPC insured) up to \$250,000 at each institution. Additionally, the Foundation had \$5,700,000 of collateral held by the pledging bank's agent not in the Foundation's name. At June 30, 2025, the uninsured balance was \$377,657. The Foundation believes it is not exposed to any significant credit risk on its cash balances.

Assets Restricted to Payment of Long-term Debt

Under the terms of two loans with the USDA, the Foundation is required to maintain cash balances in separate bank accounts, reserved for the repayment of long-term debt equal to the total principal and interest to be paid in one fiscal year. At June 30, 2025, the Foundation had bank balances in those reserve accounts totaling \$140,761, of which \$99,924 was restricted to payment of long-term debt.

NOTE 3 AVAILABILITY AND LIQUIDITY OF FINANCIAL ASSETS

The following reflects the Foundation's financial assets available for general use within one year as of June 30, 2025 and 2024:

| | 2025 | 2024 |
|--|---------------------|--------------------|
| Financial assets at year end: | | |
| Cash | \$ 6,222,582 | \$4,655,890 |
| Certificates of deposit | 18,842 | 17,970 |
| Due from other governmental units | 111,027 | 226,058 |
| Other receivables | 1,584 | 2,183 |
| Total financial assets | 6,354,035 | 4,902,101 |
| Less those unavailable for general expenditures within one year, due to: | | |
| Restricted for debt repayment | (99,924) | (99,924) |
| Financial assets available to meet cash needs for general expenditures within one year | <u>\$ 6,254,111</u> | <u>\$4,802,177</u> |

GLENCOE EDUCATION FOUNDATION, INC.
 Franklin, Louisiana

Notes to the Financial Statements

NOTE 4 PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30, 2025 and 2024:

| | <u>2025</u> | <u>2024</u> |
|------------------------------------|---------------------------|---------------------------|
| Assets not being depreciated: | | |
| Land | \$ 228,056 | \$ 200,365 |
| Construction in progress | <u>150,453</u> | <u>267,953</u> |
| Total assets not being depreciated | 378,509 | 468,318 |
| Assets being depreciated: | | |
| Building and improvements | 5,411,250 | 5,038,259 |
| Furniture and equipment | 372,303 | 314,302 |
| Transportation equipment | <u>624,542</u> | <u>624,542</u> |
| Total assets being depreciated | 6,408,095 | 5,977,103 |
| Less accumulated depreciation | <u>(3,285,250)</u> | <u>(3,052,247)</u> |
| Assets being depreciated, net | <u>3,122,845</u> | <u>2,924,856</u> |
| Total assets, net | <u><u>\$3,501,354</u></u> | <u><u>\$3,393,174</u></u> |

Total depreciation expense for the fiscal years ended June 30, 2025 and 2024 was \$233,003 and \$218,454, respectively.

NOTE 5 DUE FROM OTHER GOVERNMENTAL UNITS

Due from other governmental units consisted of the following at June 30, 2025 and 2024:

| | <u>2025</u> | <u>2024</u> |
|---|--------------------------|-------------------------|
| U.S. Department of Education: | | |
| Passed through Louisiana Department of Education (LDOE): | | |
| Title I - Grants to Local Educational Agencies | \$ 53,146 | \$ 52,568 |
| Title II - Supporting Effective Instruction State Grants | 7,477 | 9,296 |
| Title IV - Student Support and Academic Enrichment Grants | - | 1,504 |
| Special Education - Grants to States (IDEA, Part B) | 27,351 | 30,665 |
| ESSERF II Formula | - | 280 |
| ESSERF III Formula | - | 66,857 |
| ESSERF III Incentive | - | 8,200 |
| ESSERF III EB Interventions | <u>-</u> | <u>51,756</u> |
| Total passed through LDOE: | <u>87,974</u> | <u>221,126</u> |
| Total due from U.S. Department of Education: | 87,974 | 221,126 |
| Louisiana Department of Education: | | |
| Cecil J. Picard LA 4 Early Childhood Program | - | 2,232 |
| Louisiana Quality Education Support Fund 8(g) | - | 2,700 |
| Computer Science Technology Assistance Grant | 23,053 | - |
| | <u><u>\$ 111,027</u></u> | <u><u>\$226,058</u></u> |

GLENCOE EDUCATION FOUNDATION, INC.
Franklin, Louisiana

Notes to the Financial Statements

NOTE 6 LONG-TERM DEBT

Long-term debt consisted of the following at June 30, 2025 and 2024:

| | <u>2025</u> | <u>2024</u> |
|---|-------------------|-------------------|
| Note payable in the original amount of \$1,600,000, payable in 466 monthly installments of \$7,264 beginning on May 23, 2010 and one final undetermined installment, bearing interest at 4.5%, collateralized by real estate and equipment | \$ 803,798 | \$ 853,570 |
| Note payable in the original amount of \$130,000, payable in 143 monthly installments of \$1,063 beginning on April 22, 2017 and one final undetermined installment, bearing interest at 2.75%, collateralized by real estate and equipment | 44,741 | 56,097 |
| | 848,539 | 909,667 |
| Less current portion | <u>63,726</u> | <u>61,123</u> |
| Long-term portion | <u>\$ 784,813</u> | <u>\$ 848,544</u> |

Maturities of long-term debt are as follows:

| | |
|----------------------|-------------------|
| 2026 | \$ 63,726 |
| 2027 | 66,443 |
| 2028 | 69,278 |
| 2029 | 68,345 |
| 2030 | 62,311 |
| Thereafter | <u>518,436</u> |
| Total long-term debt | <u>\$ 848,539</u> |

NOTE 7 PENSION PLANS

Eligible employees of the Foundation participate in one of two cost-sharing, multiple-employer defined benefit pension plans, which are controlled and administered by a separate board of trustees. These retirement systems provide retirement, disability, and death benefits to plan members and their beneficiaries. Pertinent information relative to each plan follows.

Teachers' Retirement System of Louisiana – Regular

For the fiscal year ended June 30, 2025, plan members were required to contribute 8.0% of their annual covered salary to the system while the Foundation was required to contribute the statutory rate of 21.51% of total annual covered payroll. The Foundation was also required to contribute the statutory rate of 24.1% of total annual covered payroll for the fiscal year ended June 30, 2024.

GLENCOE EDUCATION FOUNDATION, INC.
Franklin, Louisiana

Notes to the Financial Statements

NOTE 7 PENSION PLANS (CONTINUED)

The Foundation's contributions to the system for the fiscal years ended June 30, 2025 and 2024 were \$683,238 and \$672,619, respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Teachers' Retirement System of Louisiana, P.O. Box 94123, Baton Rouge, Louisiana 70804-9123, or by calling (225) 925-6446.

Louisiana School Employees' Retirement System

For the fiscal year ended June 30, 2025, plan members were required to contribute 7.5%, or 8.0% for members employed subsequent to July 1, 2010, of their annual covered salary to the system while the Foundation was required to contribute the statutory rate of 25.8% of total annual covered payroll. The Foundation was also required to contribute the statutory rate of 27.6% of total annual covered payroll for the fiscal year ended June 30, 2024.

The Foundation's contributions to the system for the fiscal years ended June 30, 2025 and 2024 were \$32,846 and \$32,363, respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Louisiana School Employees' Retirement System, P.O. Box 44516, Baton Rouge, Louisiana 70804-4516, or by calling (225) 925-6484.

NOTE 8 LEASE COMMITMENT

The Foundation entered into a non-cancelable operating lease for immovable property with Glencoe-Vacherie Plantation, LLC, which is a related party as a result of one of the Foundation's board members being a managing member in the entity. The lease calls for four quarterly payments of \$6,300 per year, beginning January 1, 2024 for a lease term of fifty years to expire on December 31, 2074. The lease does not contain an implicit rate; therefore, the Foundation determined the present value of the lease liability using its incremental borrowing rate at the lease commencement date.

GLENCOE EDUCATION FOUNDATION, INC.
Franklin, Louisiana

Notes to the Financial Statements

NOTE 8 LEASE COMMITMENT (CONTINUED)

The following summarizes the line items in the statements of financial position which include amounts for operating leases as of June 30:

| | 2025 | 2024 |
|---|-------------------|-------------------|
| Operating lease right-of-use asset | <u>\$ 689,120</u> | <u>\$ 695,876</u> |
| Current portion of operating lease liabilities | \$ 6,942 | \$ 6,756 |
| Operating lease liabilities, net of current portion | <u>682,178</u> | <u>689,120</u> |
| Total operating lease liabilities | <u>\$ 689,120</u> | <u>\$ 695,876</u> |

The following summarizes the weighted average remaining lease term and discount rate as of June 30:

| | 2025 | 2024 |
|---------------------------------------|------------|------------|
| Weighted average remaining lease term | 48.5 years | 49.5 years |
| Weighted average discount rate | 2.75% | 2.75% |

The maturities of lease liabilities as of June 30, 2024 were as follows:

| Year ending | |
|----------------------------------|-------------------|
| June 30, | |
| 2026 | \$ 25,200 |
| 2027 | 25,200 |
| 2028 | 25,200 |
| 2029 | 25,200 |
| 2030 | 25,200 |
| Thereafter | <u>1,096,200</u> |
| Total lease payments | <u>1,222,200</u> |
| Less: present value discount | <u>(533,080)</u> |
| Present value of lease liability | <u>\$ 689,120</u> |

The following summarizes the line items in the statements of activities which include the components of lease expense for the year ended June 30:

| | 2025 | 2024 |
|---|------------------|------------------|
| Lease expense included in Support services, | | |
| Plant services expense | <u>\$ 25,200</u> | <u>\$ 24,301</u> |

GLENCOE EDUCATION FOUNDATION, INC.
Franklin, Louisiana

Notes to the Financial Statements

NOTE 8 LEASE COMMITMENT (CONTINUED)

The following summarizes cash flow information related to leases for the year ended December 31

| | 2025 | 2024 |
|---|--------------------|--------------------|
| Cash paid for amounts included in the measurement of lease liabilities: | | |
| Operating cash flows from operating leases | <u>\$ (25,200)</u> | <u>\$ (24,600)</u> |

The Foundation also leases immovable and movable property under cancelable operating leases.

NOTE 9 OTHER POST-EMPLOYMENT BENEFITS

The Foundation provides post-employment healthcare and life insurance benefits for substantially all employees if they reach normal retirement age while working for the Foundation. The Foundation's employees may participate in the State of Louisiana's Other Postemployment Benefit Plan (OPEB Plan), an agent multiple-employer defined benefit OPEB Plan that provides medical and life insurance to eligible active employees, retirees, and their beneficiaries. The State administers the plan through the Office of Group Benefits (OGB). Louisiana Revised Statutes 42:801-883 assigns the authority to establish and amend benefit provisions of the plan. The OGB does not issue a publicly available financial report of the OPEB Plan; however, it is included in the State of Louisiana Comprehensive Annual Financial Report (CAFR). A copy of the CAFR may be obtained on the Office of Statewide Reporting and Accounting Policy's website at www.doa.louisiana.gov/osrap.

The Foundation's contributions to the plan for the fiscal years ended June 30, 2025 and 2024 were \$455,128 and \$372,858, respectively.

NOTE 10 COVID-19 PANDEMIC

As a result of the COVID-19 pandemic, under the Elementary and Secondary School Emergency Relief Fund (ESSER Fund) and the Government Emergency Education Relief Fund (GEER Fund), the Department of Education has awarded grants to State Educational Agencies (SEAs) for the purpose of providing local educational agencies (LEAs), including charter schools that are LEAs, with emergency relief funds to address the impact that Novel Coronavirus Disease 2019 (COVID-19) has had, and continues to have, on elementary and secondary schools across the nation. LEAs must provide equitable services to students and teachers in non-public schools as required under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The Foundation was awarded \$1,888,775 under various CARES Act ESSERF grants during the fiscal years ended June 30, 2025, 2024, 2023, 2022 and 2021. The award periods range from January 1, 2021 to September 30, 2024. As of June 30, 2025, the Foundation had earned \$1,883,218, forfeiting \$5,557.

SUPPLEMENTARY INFORMATION

GLENCOE EDUCATION FOUNDATION, INC.
Franklin, Louisiana

Schedule of the Governing Board (Unaudited)
Year Ended June 30, 2025

| <u>Board Member</u> | <u>Term Expiration</u> |
|---------------------------------------|------------------------|
| Alison Provost <i>President</i> | June 30, 2027 |
| Stacy Judice <i>Vice President</i> | June 30, 2028 |
| James Evans <i>Member</i> | June 30, 2028 |
| Sue Patrick <i>Member</i> | June 30, 2027 |
| Anthony Baham <i>Member</i> | June 30, 2027 |
| Anna Perry <i>Member</i> | June 30, 2028 |
| Dr. Jeff Jordan <i>Member</i> | June 30, 2027 |

GLENCOE EDUCATION FOUNDATION, INC.
Franklin, Louisiana

Schedule of Insurance in Force (Unaudited)
Year Ended June 30, 2025

| Type of Coverage | Limits of Coverage | Expires | Company |
|--|--|------------|--|
| Workers' Compensation | Bodily injury by accident - \$1,000,000 each occurrence Bodily injury by disease - \$1,000,000 policy limit Bodily injury by disease - \$1,000,000 each employee | 5/10/2026 | LUBA Workers Comp |
| Student Accident | Catastrophic limit - \$5,000,000 Base coverage - \$25,000 | 8/12/2025 | United States Fire Insurance Company |
| General Liability Package | General aggregate limit - \$3,000,000 Products/completed operations aggregate limit - \$3,000,000 Personal & advertising injury - \$1,000,000 any one entity Bodily injury - \$1,000,000 each occurrence Damage to premises rented to you - \$1,000,000 any one premises Medical Expense - \$5,000 | 8/12/2025 | GuideOne |
| Abuse and Molestation | \$1,000,000 - Each occurrence \$3,000,000 - Aggregate | 8/12/2025 | GuideOne |
| Directors and Officers Liability, Employment Practices Liability and Professional Liability | \$1,000,000 - Directors and officers and educators legal liability \$1,000,000 - Shared aggregate limit \$1,000,000 - Employment practices liability \$1,000,000 - Aggregate | 8/12/2025 | GuideOne |
| Employee Benefits Liability | \$1,000,000 - Each employee \$3,000,000 - Aggregate | 8/12/2025 | GuideOne |
| Property | Buildings and Personal Business Property - \$9,727,792 Total Insured | 8/12/2025 | Great American Risk Solutions Surplus Lines Insurance Company |
| Property - Inland Marine | Electronic Data Processing Equipment Property - \$290,000 Total Insured | 8/12/2025 | GuideOne |
| Property - Wind/Hail | Buildings and Personal Business Property - \$9,727,792 Total Insured | 8/12/2025 | LA Citizens |
| Flood | \$500,000 - Building | 10/18/2025 | Wright National Flood Insurance Company |
| Auto | \$1,000,000 - Combined Single Limit \$5,000 - Medical \$5,000 - Comp/\$5,000 - Collision | 8/12/2025 | GuideOne |
| Crime | \$1,000,000 - Employee theft \$1,000,000 - Forgery and Alteration \$1,000,000 - Inside and outside loss \$1,000,000 - Funds transfer fraud \$150,000 - Claims expense \$150,000 - Social engineering | 8/12/2025 | Atlantic Specialty Insurance Company |
| Fiduciary Liability | \$1,000,000 | 8/12/2025 | Atlantic Specialty Insurance Company |
| Cyber Liability | \$1,000,000 - Policy limit \$1,000,000 - Incident response costs \$1,000,000 - Legal and regulatory costs \$1,000,000 - Crisis communication costs \$1,000,000 - Extortion \$250,000 - Funds transfer fraud | 8/12/2025 | Lloyd's of London |
| Pollution | \$1,000,000 - Each pollution condition \$2,000,000 - Aggregate \$250,000 - Additional claims expense limit \$500,000 - Crisis and reputation management | 8/12/2025 | Beazley Excess and Surplus Insurance, Inc. |

GLENCOE EDUCATION FOUNDATION, INC.
Franklin, Louisiana

Schedule of Compensation, Benefits, and Other Payments to Agency Head
Year Ended June 30, 2025

Agency Head Name: Loren Decuir, Director

| <u>Purpose</u> | <u>Amount</u> |
|-----------------------------|--------------------------|
| Salary | \$ 106,725 |
| Benefits - insurance | 14,182 |
| Benefits - retirement | 22,957 |
| Benefits - other (Medicare) | 1,397 |
| Reimbursements | <u>196</u> |
| Total | <u><u>\$ 145,457</u></u> |

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



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

To the Board of Directors of
Glencoe Education Foundation, Inc.
Franklin, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Glencoe Education Foundation, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated December 19, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Foundation'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 organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document; therefore, its distribution is not limited.

Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

Lafayette, Louisiana

December 19, 2025



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

To the Board of Directors of
Glencoe Education Foundation, Inc.
Franklin, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

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

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Foundation's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Foundation's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Foundation's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Foundation's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Foundation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Foundation's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

This report is intended solely for the information and use of the Board of Directors, management, others within the entity, federal awarding agencies, and pass-through entities 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 Louisiana Legislative Auditor as a public document.

Darnall, Sikes & Frederick
A Corporation of Certified Public Accountants

Lafayette, Louisiana
December 19, 2025

GLENCOE EDUCATION FOUNDATION, INC.
 Franklin, Louisiana

Schedule of Expenditures of Federal Awards
 Year Ended June 30, 2025

| Federal Grantor/Pass Through Grantor/Program Name | Grantor Project Number | CFDA Number | Federal Expenditures |
|---|------------------------|-------------|----------------------------|
| United States Department of Education: | | | |
| Passed through the Louisiana Department of Education: | | | |
| Title I, Part A Cluster | | | |
| Title I Grants to Local Educational Agencies | 28-25-T1-7V | 84.010A | \$ 223,902 |
| Title I Grants to Local Educational Agencies | 28-24-T1-7V | 84.010A | <u>15,488</u> |
| Total Title I, Part A Cluster | | | 239,390 |
| Title II - Supporting Effective Instruction State Grants | 28-25-50-7v | 84.367A | 18,633 |
| Title IV - Student Support and Academic Enrichment Grants | 28-25-71-7v | 84.424A | 8,841 |
| Special Education Cluster (IDEA) | | | |
| Special Education - Grants to States (IDEA, Part B) | 28-25-B1-7v | 84.027A | 96,924 |
| COVID-19 - Education Stabilization Fund | | | |
| Elementary and Secondary School | | | |
| Emergency Relief Funds (ESSERF) III Formula | 28-21-ES3F-7v | 84.425U | 488,402 |
| ESSERF III Incentive | 28-21-ES3I-7v | 84.425U | 11,772 |
| ESSERF III EB Interventions | 28-21-ESEB-7v | 84.425U | <u>29,998</u> |
| Total Education Stabilization Fund | | | 530,172 |
| Rural Education Achievement Program (REAP) | N/A | 84.358B | 27,192 |
| United States Department of Agriculture: | | | |
| Pass-through programs: | | | |
| Child Nutrition Cluster: | | | |
| Louisiana Department of Agriculture: | | | |
| National School Lunch Program - Non-cash | | | |
| Assistance (see note) | N/A | 10.555 | 28,873 |
| National School Lunch Program | N/A | 10.555 | <u>417,999</u> |
| Total Child Nutrition Cluster | | | <u>446,872</u> |
| TOTAL EXPENDITURES OF FEDERAL AWARDS | | | <u>\$ 1,368,024</u> |

GLENCOE EDUCATION FOUNDATION, INC.
Franklin, Louisiana

Notes to the Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

NOTE 1 BASIS OF PRESENTATION

The schedule of expenditures of federal awards includes the federal grant activity of Glencoe Education Foundation, Inc. (the Foundation) under programs of the federal government for the year ended June 30, 2025. The information in this schedule is presented in accordance with the requirements of OMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Foundation, it is not intended to and does not present the financial position or changes in net assets of the Foundation.

NOTE 2 BASIS OF ACCOUNTING

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE 3 RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

NOTE 4 INDIRECT COST RATE

The Foundation has not elected to use the de minimis indirect cost rate permitted under 2 CFR §200.414(f). Indirect costs, if applicable, are allocated in accordance with the Foundation's cost allocation plan or as specified by the terms of the federal award.

NOTE 5 NATIONAL SCHOOL LUNCH PROGRAM – NON-CASH ASSISTANCE

Non-cash assistance is reported in the schedule at the fair market value of the USDA commodities received and disbursed.

GLENCOE EDUCATION FOUNDATION, INC.
Franklin, Louisiana

Summary Schedule of Prior Year Findings
Year Ended June 30, 2025

Section I Internal Control and Compliance Material to the Financial Statements

This section is not applicable for the fiscal year ended June 30, 2025 as there were no findings for the year ended June 30, 2024.

Section II Internal Control and Compliance Material to Federal Awards

This section is not applicable for the fiscal year ended June 30, 2025 as there were no findings for the year ended June 30, 2024.

Section III Management Letter

A management letter was not issued for the year ended June 30, 2024.

GLENCOE EDUCATION FOUNDATION, INC.
Franklin, Louisiana

Schedule of Findings and Questioned Costs
Year Ended June 30, 2025

Part 1: Summary of Auditor's Results

FINANCIAL STATEMENTS

Auditor's Report – Financial Statements

An unmodified opinion has been issued on Glencoe Education Foundation, Inc.'s financial statements as of and for the years ended June 30, 2025 and 2024.

Deficiencies in Internal Control – Financial Reporting

There were no deficiencies in internal control over financial reporting noted during the audit.

Material Noncompliance – Financial Reporting

The results of our tests disclosed no instances of noncompliance which are required to be reported under *Government Auditing Standards*.

FEDERAL AWARDS

Auditor's Report – Major Programs

An unmodified opinion has been issued on Glencoe Education Foundation Inc.'s compliance with the requirements of its major programs as of and for the year ended June 30, 2025.

Risk Consideration

The Foundation was considered a low-risk auditee for the year ended June 30, 2025.

Major Programs – Identification:

Program Type Determination

The dollar threshold to distinguish between Type A and Type B programs was \$750,000 for the fiscal year ended June 30, 2025. The Foundation had no Type A programs for the year.

Deficiencies in Internal Control – Major Programs

Our consideration of internal control over major programs disclosed no instances of internal control deficiencies.

Noncompliance – Major Programs

The result of our tests on compliance for each major program disclosed no instances of noncompliance.

MANAGEMENT LETTER

A management letter was not issued for the fiscal year ended June 30, 2025.

GLENCOE EDUCATION FOUNDATION, INC.
Franklin, Louisiana

Schedule of Findings and Questioned Costs
Year Ended June 30, 2025

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

This section is not applicable for the year ended June 30, 2025.

Part 3: Findings and Questioned Costs Relating to Federal Programs

This section is not applicable for the year ended June 30, 2025.

GLENCOE EDUCATION FOUNDATION, INC.
Franklin, Louisiana

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

This section is not applicable for the year ended June 30, 2025.



INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of
Glencoe Education Foundation, Inc.
Franklin, Louisiana,
the Louisiana Department of Education,
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the performance and statistical data accompanying the annual financial statements of Glencoe Education Foundation, Inc. (the Foundation) 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 24:514.1. Management of the Foundation is responsible for its performance and statistical data.

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

The procedures and associated findings are as follows:

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

1. We selected a sample of 25 transactions, reviewed supporting documentation, and observed that the sampled expenditures/revenues are classified correctly and are reported in the proper amounts among the following amounts reported on the schedule:

- Total General Fund Instructional Expenditures,
- Total General Fund Equipment Expenditures,
- Total Local Taxation Revenue,
- Total Local Earnings on Investment in Real Property,
- Total State Revenue in Lieu of Taxes,
- Nonpublic Textbook Revenue, and
- Nonpublic Transportation Revenue.

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

Exceptions Noted: None.

Class Size Characteristics (Schedule 2)

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

Exceptions Noted: None.

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

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

Exceptions Noted: During our testing over public school staff experience, we noted three exceptions when comparing years of experience in the Profile of Educational Personnel (PEP) file to the related employee's personnel file for 25 teachers, principals, and assistant principals tested. Two teachers' years of experience was overstated on the PEP by 1 year. One teacher's years of experience was understated on the PEP by 1 year.

Public School Staff Data: Average Salaries (No Schedule)

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

Exceptions Noted: None.

We were engaged by the Foundation 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 Foundation 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 Foundation, 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.

Darnall, Sikes & Frederick
(A Corporation of Certified Public Accountants)

Lafayette, Louisiana
December 19, 2025

GLENCOE EDUCATION FOUNDATION, INC.
Franklin, Louisiana

Schedule 1 – 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 | \$ 1,751,355 |
| Other Instructional Staff Activities | 358,300 |
| Instructional Staff Employee Benefits | 800,229 |
| Purchased Professional and Technical Services | 28,017 |
| Instructional Materials and Supplies | 84,183 |
| Instructional Equipment | <u>-</u> |
| Total Teacher and Student Interaction Activities | \$ 3,022,084 |
| Other Instructional Activities | 63,621 |
| Pupil Support Activities | 234,208 |
| Less: Equipment for Pupil Support Activities | <u>-</u> |
| Net Pupil Support Activities | 234,208 |
| Instructional Staff Services | 93,480 |
| Less: Equipment for Instructional Staff Services | <u>-</u> |
| Net Instructional Staff Services | 93,480 |
| School Administration | 528,261 |
| Less: Equipment for School Administration | <u>-</u> |
| Net School Administration | 528,261 |
| Total General Fund Instructional Expenditures | <u>\$ 3,941,654</u> |
| Total General Fund Equipment Expenditures | <u>\$ 2,418</u> |

Certain Local Revenue Sources

Local Taxation Revenue:

| | |
|---|-------------|
| Constitutional Ad Valorem Taxes | \$ - |
| Renewable Ad Valorem Taxes | - |
| Debt Service Ad Valorem Taxes | - |
| Up to 1% of Collections by the Sheriff on Taxes Other Than School Taxes | - |
| Sales and Use Taxes | <u>-</u> |
| Total Local Taxation Revenue | <u>\$ -</u> |
| Local Earnings on Investments in Real Property: | |
| Earnings from 16th Section Property | - |
| Earnings from Other Real Property | <u>-</u> |
| Total Local Earnings on Investment in Real Property | <u>\$ -</u> |

State Revenue in Lieu of Taxes:

| | |
|--------------------------------------|-------------|
| Revenue Sharing - Constitutional Tax | - |
| Revenue Sharing - Other Tax | - |
| Revenue Sharing - Excess Portion | - |
| Other Revenue in Lieu of Taxes | <u>-</u> |
| Total State Revenue in Lieu of Taxes | <u>\$ -</u> |
| Nonpublic Textbook Revenue | <u>\$ -</u> |
| Nonpublic Transportation Revenue | <u>\$ -</u> |

GLENCOE EDUCATION FOUNDATION, INC.
Franklin, Louisiana

Schedule 2 – 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 |
| Elementary | 0.0% | - | 0.0% | - | 0.0% | - | 0.0% | - |
| Elementary Activity Classes | 0.0% | - | 0.0% | - | 0.0% | - | 0.0% | - |
| Middle/Jr. High | 0.0% | - | 0.0% | - | 0.0% | - | 0.0% | - |
| Middle/Jr. High Activity Classes | 0.0% | - | 0.0% | - | 0.0% | - | 0.0% | - |
| High | 0.0% | - | 0.0% | - | 0.0% | - | 0.0% | - |
| High Activity Classes | 0.0% | - | 0.0% | - | 0.0% | - | 0.0% | - |
| Combination | 75.4% | 144 | 24.6% | 47 | 0.0% | - | 0.0% | - |
| Combination Activity Classes | 53.6% | 15 | 35.7% | 10 | 7.1% | 2 | 3.6% | 1 |



INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of Glencoe Education Foundation, Inc. and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2024 through June 30, 2025. Glencoe Education Foundation, Inc.'s (Entity's) management is responsible for those C/C areas identified in the SAUPs.

The Entity has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 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 as follows:

1) Written Policies and Procedures

No exceptions were noted during fiscal year ended June 30, 2024 SAUP engagement; therefore, this section was excluded from testing this fiscal year.

2) Board or Finance Committee

A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

i. 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.

Obtained and reviewed minutes of the managing board for the fiscal period noting that the board met monthly.

ii. For those entities reporting on the governmental accounting model, review the minutes from all regularly scheduled board/finance committee meetings held during the fiscal year and observe whether the minutes from at least one meeting each month referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, at a minimum, on all proprietary funds, and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period*

Obtained and reviewed minutes of the managing board for the fiscal period noting that the minutes included reference to financial activity relating to public funds.

- iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

The entity is a non-profit; therefore, this is not applicable.

- iv. 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.

Not applicable.

3) Bank Reconciliations

No exceptions were noted during fiscal year ended June 30, 2024 SAUP engagement; therefore, this section was excluded from testing this fiscal year.

4) Collections (excluding electronic funds transfers)

No exceptions were noted during fiscal year ended June 30, 2024 SAUP engagement; therefore, this section was excluded from testing this fiscal year.

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

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

Obtained a listing of locations that process payments for the fiscal period, and management provided representation that the listing is complete. Selected all locations that process payments as there were less than 5.

- B. For each location selected under #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

v. 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.

No exceptions noted.

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

The Entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) was obtained along with management's representation that the population is complete.

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

No exceptions noted.

ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5B above, as applicable.

No exceptions noted.

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

No exceptions noted.

6) Credit Cards/Debit Cards/Fuel Cards/Purchase-Cards (Cards)

A. 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.

Obtained 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 along with management's representation that the listing is complete.

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

i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved),

by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and

Observed no evidence of review by someone other than the authorized cardholder for two of the three credit card statements.

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

No exceptions noted.

- C. Using the monthly statements or combined statements selected under procedure #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

Observed two instances of no written documentation of the business/public purpose.

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

No exceptions were noted during fiscal year ended June 30, 2024 SAUP engagement; therefore, this section was excluded from testing this fiscal year.

8) Contracts

No exceptions were noted during fiscal year ended June 30, 2024 SAUP engagement; therefore, this section was excluded from testing this fiscal year.

9) Payroll and Personnel

No exceptions were noted during fiscal year ended June 30, 2024 SAUP engagement; therefore, this section was excluded from testing this fiscal year.

10) Ethics

No exceptions were noted during fiscal year ended June 30, 2024 SAUP engagement; therefore, this section was excluded from testing this fiscal year.

11) Debt Service

No exceptions were noted during fiscal year ended June 30, 2024 SAUP engagement; therefore, this section was excluded from testing this fiscal year.

12) Fraud Notice

No exceptions were noted during fiscal year ended June 30, 2024 SAUP engagement; therefore, this section was excluded from testing this fiscal year.

13) Information Technology Disaster Recovery/Business Continuity

Timely submission of report during fiscal year ended June 30, 2024 SAUP engagement; therefore, this section was excluded from testing in fiscal year.

14) Prevention of Sexual Harassment

No exceptions were noted during fiscal year ended June 30, 2024 SAUP engagement; therefore, this section was excluded from testing this fiscal year.

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

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Darnall, Sikes & Frederick
(A Corporation of Certified Public Accountants)

Lafayette, Louisiana
December 19, 2025



Virgil Browne Glencoe Charter School

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Loren M. Decuir
Executive Director
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C.F.O.

Independent Accountant's Report on Applying Agreed-Upon Procedures

Management Responses

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

- 6Bi. Management plans to implement procedures that require review and approval of monthly credit card statements and supporting documentation by someone other than the authorized cardholders.
- 6C. Management plans to maintain supporting documentation for credit card purchases that includes written documentation of the business/public purpose of the purchase.

This institution is an equal opportunity provider. To file a complaint of discrimination, write: USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider, employer, and lender.

