

**RED RIVER  
CHARTER ACADEMY, INC.**

**Mansura, Louisiana**

**Financial Report  
Year Ended June 30, 2021**

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# KOLDER, SLAVEN & COMPANY, LLC

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Victor R. Slaven, CPA\* - retired 2020

## INDEPENDENT AUDITOR'S REPORT

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\* A Professional Accounting Corporation

The Board of Directors of  
Red River Charter Academy, Inc.  
Mansura, Louisiana

### Report on the Financial Statements

We have audited the accompanying financial statements of Red River Charter Academy, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

#### *Management's Responsibility for the Financial Statements*

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

#### *Auditor's Responsibility*

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

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

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

***Opinion***

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

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

In accordance, with *Government Auditing Standards*, we have also issued our report dated December 29, 2021, on our consideration of Red River Charter Academy, Inc.'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 Red River Charter Academy, Inc.'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 Red River Charter Academy, Inc.'s internal control over financial reporting and compliance.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Alexandria, Louisiana  
December 29, 2021

## **FINANCIAL STATEMENTS**

Red River Charter Academy, Inc.  
Mansura, Louisiana  
Statement of Financial Position  
June 30, 2021

ASSETS

Current assets:	
Cash and cash equivalents	\$ 1,097,253
Grants receivable	191,719
Prepaid expense	<u>9,744</u>
Total current assets	<u>1,298,716</u>
Restricted assets:	
Cash and cash equivalents	<u>6,824</u>
Fixed assets:	
Property and equipment	294,264
Less: accumulated depreciation	<u>(115,389)</u>
Total fixed assets, net	<u>178,875</u>
Total assets	<u>\$ 1,484,415</u>

LIABILITIES AND NET ASSETS

Current liabilities:	
Accounts payable	\$ 14,987
Salaries and benefits	65,030
Line of credit	<u>87</u>
Total current liabilities	<u>80,104</u>
Net assets:	
Without donor restrictions	1,393,082
With donor restrictions	<u>11,229</u>
Total net assets	<u>1,404,311</u>
Total liabilities and net assets	<u>\$ 1,484,415</u>

The accompanying notes are an integral part of the basic financial statements.

Red River Charter Academy, Inc.  
Mansura, Louisiana

Statement of Activities  
For the Year Ended June 30, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Changes in net assets			
Revenues, gains and other support:			
State MFP revenue	\$ 1,577,387	\$ -	\$ 1,577,387
Federal and state grants	412,762	-	412,762
Local sources	624,453	-	624,453
Miscellaneous revenue	49,742	18,091	67,833
PPP loan forgiveness	145,140	-	145,140
Net assets released from restrictions	<u>20,800</u>	<u>(20,800)</u>	<u>-</u>
Total	<u>2,830,284</u>	<u>(2,709)</u>	<u>2,827,575</u>
 Expenses and losses:			
Program services	1,570,548	-	1,570,548
Supporting services -			
Administrative expenses	<u>216,675</u>	<u>-</u>	<u>216,675</u>
Total	<u>1,787,223</u>	<u>-</u>	<u>1,787,223</u>
 Change in net assets	1,043,061	(2,709)	1,040,352
 Net assets, beginning of year	<u>350,021</u>	<u>13,938</u>	<u>363,959</u>
 Net assets, end of year	<u>\$ 1,393,082</u>	<u>\$ 11,229</u>	<u>\$ 1,404,311</u>

The accompanying notes are an integral part of the basic financial statements.

Red River Charter Academy, Inc.  
Mansura, Louisiana

Statement of Functional Expenses  
For the Year Ended June 30, 2021

	<u>Program Services</u>	<u>Support Services Administrative Expenses</u>	<u>Total</u>
Expenses:			
Salaries	\$ 855,865	\$ 91,823	\$ 947,688
Payroll taxes	52,948	11,684	64,632
Employee group insurance	46,517	8,217	54,734
Retirement fund contribution	2,698	280	2,978
Other employee benefits	6,144	6,024	12,168
Transportation	87,211	-	87,211
Depreciation expense	77,980	-	77,980
Dues and fees	-	10,123	10,123
Insurance	21,081	-	21,081
Rent	49,745	-	49,745
Repairs and maintenance	65,209	-	65,209
Audit / accounting services	-	47,010	47,010
Other professional services	20,997	5,243	26,240
Miscellaneous expense	19,525	-	19,525
Materials and supplies	119,768	17,577	137,345
Books and periodicals	205	-	205
Telephone and postage	-	18,687	18,687
Utilities	35,483	-	35,483
Food service management	109,172	-	109,172
Interest expense	-	7	7
	<u>          </u>	<u>          </u>	<u>          </u>
Totals	<u>\$ 1,570,548</u>	<u>\$ 216,675</u>	<u>\$ 1,787,223</u>

The accompanying notes are an integral part of the basic financial statements.



Red River Charter Academy, Inc.  
Mansura, Louisiana

Statement of Cash Flows  
For the Year Ended June 30, 2021

Cash flows from operating activities:	
Change in net assets without donor restrictions	\$ 1,040,352
Adjustments to reconcile change in net assets without donor restrictions to net cash provided by operating activities -	
Depreciation	77,980
PPP loan forgiveness	(145,140)
Decrease (increase) in operating assets	
Grants receivable	(146,293)
Prepaid expenses	3,490
(Decrease) increase in operating liabilities	
Accounts payable	(128,467)
Due to others	(1,321)
Unearned revenue	<u>(16,848)</u>
Net cash provided by operating activities	<u>683,753</u>
Cash flows from investing activities:	
Purchases of leasehold improvements and equipment	<u>(63,450)</u>
Cash flows from financing activities:	
Payments on line of credit	<u>(13)</u>
Net change in cash and cash equivalents	<u>620,290</u>
Cash and cash equivalents, beginning of year	
Unrestricted	482,466
Restricted	<u>1,321</u>
	<u>483,787</u>
Cash and cash equivalents, end of year:	
Unrestricted	1,097,253
Restricted	<u>6,824</u>
	<u>\$ 1,104,077</u>
Supplemental disclosure:	
Interest paid	<u>\$ 7</u>
PPP loan forgiveness	<u>\$ 145,140</u>

The accompanying notes are an integral part of the basic financial statements.

## RED RIVER CHARTER ACADEMY, INC.

### Notes to Financial Statements

#### (1) Nature of Activities and Significant Accounting Policies

##### A. Nature of Organization and Operations

The Red River Charter Academy, Inc. (the Academy) was granted a charter by the State Board of Elementary and Secondary Education in 2018 to teach a diverse population of children in an atmosphere that encourages active inquiry, fosters individual growth, and promotes respect for self, others, and the world in which they live. The Academy incorporates firm policies of discipline with parental and community involvement so that students will master essential academic and life skills. The Academy is a Type 2 charter school governed by an eight-member board of directors who serve without compensation.

##### B. Income Taxes

The Academy is a non-profit corporation that is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code of 1986 and is an organization that is not a private foundation as defined in Section 509(a) of the Code. It is also exempt from Louisiana income tax. Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Academy and recognize a tax liability (or asset) if the Academy has undertaken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Academy and has concluded that as of June 30, 2021, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Academy is subject to routine audit by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

##### C. Financial Statement Presentation

The Academy reports 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.

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

##### D. Public Support and Revenue

The Academy receives its grant support primarily from the Louisiana State Department of Education Minimum Foundation program. Approximately 57% of the Academy's funding is from this program. Other public support is received from the U.S. Department of Education.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals

RED RIVER CHARTER ACADEMY, INC.

Notes to Financial Statements

possessing those skills and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. Donated labor is valued at the minimum wage rate in effect at the time of the donated services. Donated professional time is valued at the current market rate of the specific project. Donated materials are valued at current market value at the time of donation. There were no donated services that met the criteria for recognition.

All contributions are considered to be available for operations unless specifically restricted by the donor. Amounts received that are restricted by the donor for specific purposes are reported as net assets with donor restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions upon satisfaction of the donor-imposed time or purpose restriction. Contributions with donor restrictions, for which the restriction is met in the same year, are classified as net assets without donor restrictions.

E. Net Assets

The net assets of the Academy and changes therein are classified and reported as follows:

Net Assets with Donor Restrictions – Net Assets subject to stipulations imposed by donors and grantors. Some donor restrictions may be temporary in nature. These restrictions will be satisfied by actions of the Academy or by the passage of time.

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

F. Use of Estimates

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

G. Property and Equipment

Property and equipment are recorded at historical cost and depreciated over their estimated useful lives using the straight-line method. Donated property and equipment are recorded at their estimated fair value at the date of donation. The range of estimated useful lives is as follows:

RED RIVER CHARTER ACADEMY, INC.

Notes to Financial Statements

Buildings and improvements	40 years
Furniture and fixtures	5-7 years
Machinery and equipment	5-10 years

H. Cash and Cash Equivalents

For the purpose of the statement of cash flows, the Academy considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

I. Grants Receivable

Grant receivables are stated at the amount management expects to collect in future periods. Management considers all grant receivable balances to be fully collectible, therefore no allowance for doubtful accounts is recorded on June 30, 2021.

J. Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond year end are recorded as prepaid items. The prepaid items that existed at June 30, 2021 were prepaid insurance expense.

K. Compensated Absences

Teachers and staff earn a maximum of eight sick and/or personal days per year. Accumulated days do not carry over to the next year, but may, at the discretion of the board of directors, be used for extended sick leave when an employee has a medical event that necessitates a recovery of more than ten days. At the time of retirement, death or separation, no monies are owed or paid to an employee for accumulated sick days. The accumulated days on record at the time an employee leaves the Academy to continue in another public or Academy school system are not transferrable upon separation. Therefore, no compensated absences liability is recorded at June 30, 2021.

L. Functional Allocation of Expenses

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

M. Revenue Recognition

Program reimbursements and grants are recorded or accrued as revenues when earned. Substantially all other revenues are recorded when received.

RED RIVER CHARTER ACADEMY, INC.

Notes to Financial Statements

(2) Cash and Interest-Bearing Deposits

At June 30, 2021, the Academy had cash and interest-bearing deposits (book balances) totaling \$1,104,077. These deposits are stated at cost, which approximates market. Deposit balances (bank balances) at June 30, 2021 totaled \$1,103,627. The accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 at each financial institution. Total uninsured cash balances of \$851,197 were exposed to custodial credit risk on June 30, 2021.

(3) Property and Equipment

A summary of property and equipment is as follows:

Leasehold improvements	\$ 27,810
Furniture and fixtures	34,315
Machinery and equipment	232,139
Accumulated depreciation	<u>(115,389)</u>
Fixed assets, net	<u>\$ 178,875</u>

Depreciation expense for the year ended June 30, 2021 was \$77,980.

(4) Line of Credit

On June 30, 2021, the Academy had an open line of credit with a financial institution in the amount of \$250,000 that can be drawn upon as needed for working capital purposes. The line of credit is renewable annually, bears interest at 5.5% per annum, and is collateralized by future governmental payments received by the Academy. As of June 30, 2021, the balance owed on the line of credit was \$87 and the balance available to be drawn upon was \$249,913.

(5) Note Payable

During fiscal year 2020, the Academy received a Payroll Protection Program (PPP) loan from the Small Business Administration in the amount of \$145,140. The purpose of the loan was to maintain payroll and other operating expenses during the COVID-19 pandemic. Under the terms of the loan the outstanding balance was eligible for forgiveness if the loan proceeds were used for payroll and certain operating expenses. The terms of forgiveness were substantially met, and the outstanding loan balance of \$145,140 was reclassified as income during the year ended June 30, 2021.

(6) Operating Leases

The Academy leases several school buses under an operating lease executed on October 10, 2019. The terms of the lease require monthly payments of \$5,933 for three-years with the lease expiring on June 30, 2022. Lease payments totaling \$71,200 were recognized as transportation expense during the fiscal year ending June 30, 2021.

RED RIVER CHARTER ACADEMY, INC.

Notes to Financial Statements

The Academy entered into a lease agreement with the Avoyelles Parish School Board for the right to use land and property. The terms of this lease are for 45 years from May 1, 2019, to April 30, 2064 with monthly payments of \$3,500. Payments totaling \$49,745 are recognized as rent expense during the fiscal year ending June 30, 2021.

The minimum future rental payments of operating leases having a remaining term of more than one year as of June 30, 2021, is as follows:

Year Ending June 30,	Amount
2022	\$ 113,200
2023	42,000
2024	42,000
2025	42,000
2026	42,000
2027 and thereafter	798,000
	<u>\$ 1,079,200</u>

(7) Deferred Compensation Plan

Employees of the Academy have the option of participating in a defined contribution salary deferral plan that was established in accordance with Section 403(B) of the Internal Revenue Code. Under the plan, the Academy contributes a discretionary matching contribution equal to a percentage of the amount of the salary reduction elected by the employee, up to 3% of compensation. The employee may elect a salary reduction up to the maximum annual allowable amount established by applicable Internal Revenue Code Sections. The Academy's contributions to the plan totaled \$2,978 for the year ending June 30, 2021. All employer and employee contributions and earnings are immediately vested.

(8) Schedule of Compensation, Benefits and Other Payments to Director

A detail of compensation, benefits, and other payments made to the Directors, Leigh Fryer (July 1, 2020 to December 15, 2020), Raymel Menefee (May 1, 2021 to May 31, 2021), and Charles Jones (June 1, 2021 to June 30, 2021) for the year ended June 30, 2021 follows:

<u>Purpose</u>	<u>Leigh Fryer</u>	<u>Raymel Menefee</u>	<u>Charles Jones</u>
Salary	\$ 43,000	\$ 7,667	\$ 9,333
Benefits - payroll tax	3,209	646	714
Benefits - insurance	2,262	-	-
Reimbursements	-	1,000	-
	<u>\$ 48,471</u>	<u>\$ 9,313</u>	<u>\$ 10,047</u>

RED RIVER CHARTER ACADEMY, INC.

Notes to Financial Statements

(9) Contingencies

Financial awards received from federal, state, and local governmental entities in the form of grants are subject to audit and review by the entities providing the funding. Such audits and reviews could result in expenses being disallowed under the terms and conditions of the grants. Management is not aware of any disallowances related to grants as of June 30, 2021. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

(10) Net Assets with Donor Restrictions

As of June 30, 2021, net assets with donor restrictions consisted of funds received from private grants/contributions of \$4,405 and \$6,824 from various student related classes and clubs within the school. These monies were received for specific purposes and will be released from net assets with donor restrictions when those specific purposes have been met.

(11) Liquidity and Availability of Resources

The Academy's financial assets available within one year of the balance sheet date for general expenditures are as follows:

Financial assets, at year-end	
Cash and cash equivalents	\$ 1,097,253
Grant receivable	191,719
Less assets unavailable for general expenditures within one year, due to:	
Contractual or donor imposed restrictions	<u>(4,405)</u>
Financial assets available within one year, at year-end	<u>\$ 1,284,567</u>

As part of the Academy's liquidity management program, a policy was adopted to structure financial assets to be available as general expenditures, liabilities, and other obligations come due. To help manage unanticipated liquidity needs, the Academy has committed a line of credit in the amount of \$250,000, which can be drawn upon as needed. The total amount available on this line of credit was \$249,913 on June 30, 2021.

(12) Litigation

There was no litigation pending against the Red River Charter Academy, Inc. as of June 30, 2021.

RED RIVER CHARTER ACADEMY, INC.

Notes to Financial Statements

(13) Recent Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, *Leases* (Topic 842) intended to improve financial reporting regarding leasing transactions. The new standard affects all companies and organizations that lease assets and liabilities for the rights and obligations created by those leases if the lease terms are more than 12 months. The guidance also will require quantitative disclosures providing additional information about the amounts recorded in the financial statements. The amendments in this update are effective for fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022. The Academy is evaluating the potential impact of the amendments on its' financial statements.



**INTERNAL CONTROL,  
COMPLIANCE  
AND  
OTHER MATTERS**

# KOLDER, SLAVEN & COMPANY, LLC

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## 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*

The Board of Directors of  
Red River Charter Academy, Inc.  
Mansura, 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 Red River Charter Academy, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 29, 2021.

### Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Red River Charter Academy, Inc.'s internal control over financial reporting (internal control) as a basis for designing the 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 Red River Charter Academy, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Red River Charter Academy, Inc.'s internal control.

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

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

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Red River Charter Academy, Inc.'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. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Alexandria, Louisiana  
December 29, 2021

RED RIVER CHARTER ACADEMY, INC.  
Mansura, Louisiana

Schedule of Current and Prior Year Audit Findings  
and Management's Corrective Action Plan  
Year Ended June 30, 2021

Part I: Current Year Findings and Management's Corrective Action Plan:

A. Internal Control Over Financial Reporting

There are no internal control findings to be reported.

B. Compliance and other matters

There are no compliance findings to be reported.

Part II: Prior Year Findings:

A. Compliance and other matters

2020-001      Late Filing of Financial Statement Audit

CONDITION: The Red River Charter Academy, Inc. failed to comply with LA R.S. 24:513, by not submitting its financial statements to the Louisiana Legislative Auditor within six months after its fiscal year-end.

RECOMMENDATION: The Red River Charter Academy, Inc. should ensure compliance with LA R.S. 24:513 by engaging its independent auditor in a timely fashion.

CURRENT STATUS: Resolved.

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

# KOLDER, SLAVEN & COMPANY, LLC

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Victor R. Slaven, CPA\* - retired 2020

\* A Professional Accounting Corporation

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

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The Board of Directors of the Red River Charter Academy, Inc.  
Louisiana Department of Education  
Louisiana Legislative Auditor

We have performed the procedures enumerated below on the performance and statistical data accompanying the annual financial statements of the Red River Charter Academy, Inc., (Academy) for the fiscal year ended June 30, 2021, and to determine whether the specified schedules are free of obvious errors and omissions, in compliance with Louisiana Revised Statute 24:514. Management of the Red River Charter Academy, Inc. is responsible for its performance and statistical data.

The Academy 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 purpose. The procedures performed may not address all of 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 and 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.

There were no exceptions noted.

### **Class Size Characteristics (Schedule 2)**

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

There were no exceptions noted.

### **Education Levels of Academy Staff (NO SCHEDULE)**

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

There were no exceptions noted.

### **Academy Staff Data: Average Salaries (NO SCHEDULE)**

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

There were no exceptions noted.

We were engaged by Red River Charter Academy, 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 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, 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 Academy 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 Red River Charter Academy, Inc., as required by Louisiana Revised Statute 24:514, 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.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Alexandria, Louisiana  
December 29, 2021

RED RIVER CHARTER ACADEMY, INC.  
Mansura, Louisiana

Schedules Required by State Law (R.S. 24:514 - Performance and Statistical Data)  
As of and for the Year Ended June 30, 2021

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

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

**Schedule 2 (Formerly Schedule 6) - Class Size Characteristics**

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



Red River Charter Academy, Inc.  
Mansura, Louisiana  
Schedule 1

General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources  
For the Year Ended June 30, 2021

**General Fund Instructional and Equipment Expenditures**

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities -

Classroom Teacher Salaries	\$ 568,875	
Other Instructional Staff Activities	77,892	
Instructional Staff Employee Benefits	90,162	
Purchased Professional and Technical Services	1,197	
Instructional Materials and Supplies	70,789	
Instructional Equipment	18,067	

Total Teacher and Student Interaction Activities \$ 826,982

Other Instructional Activities:

Pupil Support Services	15,737	
Less: Equipment for Pupil Support Services	-	
Net Pupil Support Services		15,737

Instructional Staff Services	400	
Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services		400

School Administration	259,522	
Less: Equipment for School Administration	-	
Net School Administration		259,522

Total General Fund Instructional Expenditures (Total of Column B) \$ 1,117,453

Total General Fund Equipment Expenditures (Object 730; Function Series 1000-4000) \$ -

**Certain Local Revenue Sources**

Local Taxation Revenue:

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

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	\$ -
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State revenue in Lieu of Taxes:

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

Nonpublic Textbook Revenue \$ -

Nonpublic Transportation Revenue \$ -

Red River Charter Academy, Inc.  
Mansura, Louisiana  
Schedule 2

Class Size Characteristics  
As of October 1, 2020

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%	-
Elementary Activity Classes	0%	-	0%	-	0%	-	0%	-
Middle/Jr. High	10%	6	62%	36	28%	16	0%	-
Middle/Jr. High Activity Classes	17%	2	58%	7	25%	3	0%	-
High	0%	-	0%	-	0%	-	0%	-
High Activity Classes	0%	-	0%	-	0%	-	0%	-
Combination	0%	-	0%	-	0%	-	0%	-
Combination Activity Classes	0%	-	0%	-	0%	-	0%	-

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